

Evaluation of Individual Learning Accounts

Early Views of Customers & Providers: England

Jane Owens
York Consulting

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DEPARTMENT FOR EDUCATION AND SKILLS

**Evaluation Of Individual Learning Accounts –
Early Views of Customers & Providers: England**

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EXECUTIVE SUMMARY

Background to Individual Learning Accounts (ILAs)

- (i) Individual Learning Accounts are a crucial part of the Government's lifelong learning agenda, along with other initiatives such as University for Industry/LearnDirect and UKOnline/ICT Learning Centres.
- (ii) The key objective for Individual Learning Accounts is to provide a vehicle for funding continuous learning. The national Individual Learning Account framework was introduced in September 2000, and was to include the following key elements:
 - universal availability but with specific marketing to key target groups;
 - creation of an Individual Learning Account Centre (to cover England, Scotland and Northern Ireland – the process was managed by the Training and Enterprise Councils in Wales);
 - funding support to encourage individual take-up of learning;
 - encouragement to employers to contribute to Individual Learning Accounts.
- (iii) As part of the first year of the national Individual Learning Account scheme, DfES required an early evaluation of:
 - the characteristics of Individual Learning Account redeemers and non-redeemers;
 - the process;
 - customer satisfaction.
- (iv) The findings will be used to provide initial information on early Individual Learning Account holders and also evidence to inform any recommendations for improving the process. It will also provide an input into DfES's monitoring of its contract with Capita who are under contract to run the Individual Learning Account Centre.
- (v) The research was undertaken by York Consulting Ltd and MORI Social Research Institute between 26th February and 4th May 2001.

Methodology

- (vi) This report is based upon a telephone survey of Individual Learning Account redeemers and non-redeemers (people who had opened an account but not yet used it) in England.

Main Findings

Profile of Individual Learning Account Holders

- (vii) The profile of redeemers and non-redeemers, (and their responses) was similar with the majority being:
 - employed or self employed;
 - already having some form of qualification;
 - a higher percentage of women than men opening an ILA

Marketing

- (viii) Despite the existence of key target groups which were to be encouraged to access Individual Learning Accounts, any targeted marketing has had little impact.
- (ix) The majority of redeemers first heard about Individual Learning Accounts through learning providers – the other major sources of information were family/friends and newspaper/radio advertisements.
- (x) A number of training providers expressed confusion about Individual Learning Account eligibility, both for courses and for individuals.

Process

- (xi) Responses regarding the process for accessing Individual Learning Accounts through the Individual Learning Account Centre were generally positive.

Previous learning

- (xii) The majority of redeemers possessed some form of qualification, with approximately one-quarter being educated to degree level. Almost one in six redeemers had no qualifications and more than one in five stated that they had not been involved in any form of learning during the previous twelve months.

Courses supported by Individual Learning Accounts

- (xiii) The majority of those undertaking courses supported by 80% discounts were undertaking Information & Communication Technology (ICT) courses, with only 1% undertaking introductory Numeracy/Maths courses.
- (xiv) Some individuals were receiving Individual Learning Account funding support for ineligible courses e.g. those required for own employment; leisure courses; part-time Higher Education.
- (xv) The level of course being undertaken by redeemers varied from those not leading to any qualification, through to those classified as part-time Higher Education.

Contributions to course costs

- (xvi) A requirement of the £150 Individual Learning Account contribution is that the individual contributes at least £25 of their own funding, but more than one in ten of the redeemers contacted stated that they were contributing less than this amount.
- (xvii) The majority of redeemers stated that their employer was making no contribution towards their course costs. Confusion was also apparent amongst some providers over the implications of any employer contribution i.e. whether the Individual Learning Account discount was applicable to the course cost after or before the employer's contribution had been deducted. This led some providers to say that they positively discouraged employer contributions as it led to increased administrative difficulties.

Deadweight

- (xviii) It is not possible to accurately pinpoint the level of deadweight, but indications were – by using responses to the statement “Without the Individual Learning Account I would not have been able to pay for my course” - that it was in the region of 44%.

- (xix) Groups who were more likely to indicate that they would have been **unable** to take their course without the support of Individual Learning Accounts included the unemployed, people with no qualifications, and those in social classes D and E.
- (xx) Groups more likely to indicate that they **would have been able** to take their course even without the support of Individual Learning Accounts included those contributing £150 or more of their own funding, people not receiving an 80% discount and those in social classes A and B.

Conclusions

(xxi) Conclusions emerging from this survey are that:

- Individual Learning Accounts have attracted a wide range of learners, the majority of whom already possess some form of qualification;
- a higher proportion of women than men have opened and used an Individual Learning Account;
- the profile for redeemers and non-redeemers is similar, indicating that no one group has experienced particular difficulties in using their Individual Learning Account once opened;
- targeted marketing has had little effect upon attracting members of key target groups;
- the overwhelming majority of account holders were very positive about the support provided to them by the Individual Learning Account Centre (ILAC);
- the majority of those receiving the 80% discount were undertaking an Information & Communication Technology (ICT) course;
- some account holders were receiving Individual Learning Account funding for ineligible courses;
- a significant minority of individuals had contributed below the required amount of £25 towards their course costs;
- the majority of account holders in employment had received no financial contribution from their employer towards their Individual Learning Account supported course costs;
- some providers indicated that the procedures for employer contributions were not straightforward and that, in some cases, they [providers] were actively discouraging such support;

levels of deadweight appeared to be:

- highest amongst individuals contributing £150 or more towards their course costs, those not receiving an 80% discount and people in social classes A and B;
- lowest amongst individuals in social classes D and E, the unemployed, those with no qualifications and people receiving an 80% discount.

Recommendations

(xxii) Our recommendations are that actions should be taken with the aims of:

- revisiting key **target groups** to be clear on the rationale behind their selection;
- offering **incentives** to learning providers to engage target groups;
- reconsidering the **levels of discount** to be made available through Individual Learning Accounts in the future;
- ensuring that providers are clear about course and individual eligibility for Individual Learning Account support;
- considering ways of **encouraging employers to contribute** towards their employees' ILA supported learning;
- further development of the Individual Learning Account Centre website;
- identifying, and closing, loopholes currently allowing Individual Learning Accounts to be used to support **ineligible courses**;
- continued training for **call-handling staff** on the rules and regulations relating to Individual Learning Accounts;
- continuing to monitor **customer and provider satisfaction**, particularly in relation to the knowledge levels of call-handling staff and the advice that they give;
- in the long-term, monitoring the number of **dormant accounts** i.e. those used once but not in subsequent years;
- undertaking a **longitudinal study** of individuals contacted as part of this survey to identify the impacts of learning undertaken e.g. progression into further learning and/or employment;
- undertaking an evaluation of the current pilots e.g. **The Small Firm Learning Account; Community Group ILAs**.

1 INTRODUCTION

Individual Learning Accounts

- 1.1 Individual Learning Accounts are a crucial part of the Government's lifelong learning agenda, along with other initiatives such as University for Industry/LearnDirect and UKOnline/ICT Learning Centres.
- 1.2 The key objective for Individual Learning Accounts is to provide a vehicle for funding continuous learning, and thereby to:
- contribute to creating a better-equipped workforce;
 - enable people to have a personal stake in society, with greater control over their own development;
 - increase levels of private (individual and employer) investment in learning;
 - increase levels of participation and achievement in learning activities;
 - repay public investment in Individual Learning Accounts through increased earnings;
 - raise individuals' expectations of the benefits of learning.
- 1.3 In early 1998, the government issued a Green Paper on lifelong learning - *The Learning Age: A Renaissance for a New Britain* – in which they outlined their plans for creating a system that would encourage people to take greater responsibility for their own learning and self-development. These Individual Learning Accounts were to be built upon two key principles of the government's lifelong learning policy, namely:
- that individuals are best placed to choose what and how they want to learn;
 - that responsibility for investment in learning should be shared by employers, the government and individuals.
- 1.4 Following this Green Paper, a variety of Individual Learning Account models were tested at a local level by Training and Enterprise Councils (TECs) working in partnership with key stakeholders such as employers, learning providers and trade unions and by Further Education colleges.

- 1.5 Initially, the concept was that financial institutions would be actively involved in the promotion of Individual Learning Accounts, as each individual was to have a bank account in which money would be invested for their training. This idea was later replaced by the current 'pay as you go' system outlined at paragraph 1.7 below.
- 1.6 A national Individual Learning Account framework was announced by the Department for Education and Skills in June 2000 and became operational in September 2000. This national framework included the following elements:
- **universal availability but with specific marketing to key target groups** e.g. 19-30 year olds with few or no qualifications, non-teaching school staff, labour market returners and the self-employed;
 - **creation of an Individual Learning Account Centre** operated by Capita and contracted to DfES, the Scottish Executive and Northern Ireland to provide a call centre and administrative services;
 - **funding support to encourage individual take-up of learning** i.e. a **£150 incentive** to the first 1 million account holders, on condition that they contribute at least £25 of their own money; a **20% discount** on the cost of a wide-range of courses; an **80% discount** on the cost of certain courses focusing upon and basic core skills activities; in England these are introductory ICT and numeracy courses. Following the introduction of the national framework for ILAs, upper limits for funding were introduced and amounted to £200 per year when accessing a course eligible for an 80% discount and £100 per year if receiving a 20% discount;
 - **encouragement to employers to contribute to Individual Learning Accounts** but not to use them to substitute their own training provision.
- 1.7 To open an Individual Learning Account, an individual first registers with the Individual Learning Account Centre (ILAC) by completing an application form – these forms are available from a wide range of sources including the ILAC Centre, its website and learning providers. Once this form has been completed and returned, the individual is sent an account card that is then 'redeemed' by being presented to their chosen learning provider. If the provider has registered with the ILAC, and the individual has chosen a course that is eligible for an Individual Learning Account incentive/discount, the provider will apply the appropriate discount and then reclaim this funding from the ILAC.
- 1.8 To be eligible for an Individual Learning Account, individuals must be 19 years of age or over and be resident in England. They must satisfy nationality requirements, although European Economic Area nationals who are working in the United Kingdom are also eligible, as are their spouse, children and stepchildren.

1.9 Courses excluded from Individual Learning Account support in England are as follows:

- secondary education;
- learning for which the individual already receives Government support;
- full-time or part-time graduate and post-graduate courses;
- leisure or sports courses (unless leading to a coaching/instruction qualification);
- driving lessons for private car;
- courses that are a requirement of the person's current employment;
- courses that are a reward/inducement from employer;

1.10 Other exclusions in England are:

- books and learning materials not included in course fees;
- childcare, travel and other related costs;
- courses already started by the individual.

1.11 Employees are not subject to tax or National Insurance contributions on an employer's contribution to a course supported by an Individual Learning Account, as long as the employer extends the facility to the lowest paid employees in the company. The employer's contribution to such courses is, like other employee training costs, deductible for tax purposes.

1.12 The government anticipated that 1 million accounts would be opened across the UK by April 2002, with an estimate of just under 2 million accounts opened by 2005. David Blunkett announced, at the end of April 2001, that the 1 million target had already been met. At the end of May 2001, 923,826 Individual Learning Accounts had been opened in England with 409,581 having been used/redeemed.

1.13 Marketing in England was commissioned by DfES at the end of 2000 which involved a six week local and commercial radio advertising campaign and advertisements in regional/ethnic, and some national, press which was aimed at two key target groups i.e. 19-30 year olds with few or no qualifications and labour market returners. The campaign gave a message that Individual Learning Accounts could help people to realise their individual skills and talents, but was disappointing in terms of the number of calls which resulted from it.

1.14 To encourage further uptake of Individual Learning Account from some of the key target groups, further pilots are now being undertaken across England. These include:

- **The Small Firm Learning Account:** which is operating in the Leicestershire/Lincolnshire area during 2001-2002 with the aim of engaging small firm owner managers and their employees into learning by offering them additional discounts alongside learning needs analysis support, information and easier access to relevant learning. The pilot is open to firms employing between 5 and 49 people. Owner managers who successfully persuade more than half of their workforce to open and use an Individual Learning Account receive £500 towards the cost of a comprehensive learning needs analysis covering both company and individual development needs. Those members of staff who open an account will also qualify for an additional £50 discount off the cost of a wide range of learning, with the owner manager having the final say on what learning should be undertaken.
- **Community ILAs:** a 12-month pilot being undertaken in London, Liverpool, Sheffield and the South-East to identify the added value that community groups and their partner organisations can bring to the promotion of Individual Learning Accounts to people in some of the most disadvantaged communities. These pilots will test the effect of training local community workers who will provide information and advice on learning, and will also encourage individuals to open and use an Individual Learning Account. Two of the pilots are also working with credit unions to manage the £150 incentive with the aim of encouraging financial literacy and the savings habit amongst members of their local communities.

Client Brief

1.15 As part of the first year of the national Individual Learning Account scheme, the Department for Education and Skills required an early evaluation of:

- **the characteristics of Individual Learning Account users and non-redeemers;**
- **the ILA process;**
- **customer satisfaction.**

1.16 In addition to the issues listed at 1.15 above, key questions addressed within this report include:

- the extent to which Individual Learning Accounts have encouraged both **take-up from new learners** and **“additionality”** i.e. has the Individual Learning Account been a real incentive or would individuals have opted and paid for these courses without the discount?
- the extent to which Individual Learning Account users have **prior knowledge or skills** in the topic covered by their course i.e. have ILAs encouraged those with limited skills and knowledge to take up learning? Are they new learners?
- **their effectiveness in attracting members of the key target groups** as compared to other members of the community i.e. labour market returners; 19-30 year olds with few or no qualifications; non-teaching school staff; the self-employed.

1.17 This evaluation aimed to provide initial information on early Individual Learning Account holders and evidence to inform any recommendations for improving the process. It was also intended to provide an input into DfES’s monitoring of its contract with Capita who run the Individual Learning Account Centre.

1.18 As the individuals and providers contacted were those who had been involved during the first five months of the national roll-out of Individual Learning Accounts – in other words, people who had opened their account, or registered as a course provider, between 1st September 2000 and 31st January 2001 – changes are likely to have occurred in the user profile and also in the efficiency of processes surrounding Individual Learning Accounts in more recent months.

1.19 We have therefore included some more recent information gained from Capita’s database e.g. to show the age and gender profile of account holders at the time of drafting this report.

1.20 Two reports have been prepared for publication – this report, which summarises outcomes from a survey of Individual Learning Account users/redeemers, non-redeemers and providers in **England only**, and a UK-wide report which draws out similarities and differences emerging for each of the four home countries.

2 METHODOLOGY

- 2.1 This report is based upon a telephone survey of Individual Learning Account users/redeemers, non-redeemers and providers in England carried out between 26th February and 4th May 2001 by York Consulting Ltd and the MORI Social Research Institute.
- 2.2 A brief description of the methodology is provided below, with further details given at **Appendix E**.

Redeemers and non-redeemers

Survey design

- 2.3 MORI conducted 1152 interviews with people who had applied for an Individual Learning Account in England between 1st September 2000 and 31st January 2001. The interviews were conducted by telephone between 5th March and 3rd April 2001 by MORI Telephone Surveys (MTS) using CATI (Computer Assisted Telephone Interviewing). The questionnaire used to programme the CATI system is shown at **Appendix A**.
- 2.4 The sample was provided by Capita, who hold the contract to run the Individual Learning Account Centre, and comprised two groups of Individual Learning Account holders:
- **redeemers:** people who had used their Individual Learning Account to help pay for learning;
 - **non-redeemers:** people who had applied for an Individual Learning Account but not used it by the time the sample was drawn.
- 2.5 Those listed as receiving an 80% course discount were prioritised for interviews as an early report was required on this group. Following this report, we prioritised non-redeemer calls to take account of possible changes in their status – for example, a proportion of non-redeemers had used their Individual Learning Account by the time they were contacted.

Sample design

- 2.6 The aim was to interview 1,000 redeemers and 125 non-redeemers in England. The latter sample size meant that there were too few non-redeemers to provide robust findings for England but, taken as a group across the four home countries, the sample provided an indication of any key issues and obstacles leading to non-use of Individual Learning Accounts.
- 2.7 Due to reasons detailed in Appendix A, a slightly higher number of redeemer and non-redeemer interviews were achieved i.e. 1021 redeemers (including 277 who had received an 80% discount) and 131 non-redeemers.

Questionnaire design

- 2.8 There was one version of the questionnaire, with appropriate filters for redeemers and non-redeemers. The questionnaire was designed by York Consulting Ltd and MORI in consultation with DfES. The questionnaire is shown at Appendix B.

Analysis

- 2.9 The data has been weighted by age and gender for redeemers and non-redeemers in line with the information held on Capita's database.

Interpretation of Data

- 2.10 It should be noted that a sample, and not the entire, population of Individual Learning Account applicants has been interviewed. This means that all the results are subject to sampling tolerances and that not all differences are statistically significant.
- 2.11 Where percentages do not add up to 100%, this is due to computer rounding, the exclusion of "don't know" categories, or multiple responses.

Course providers

Survey Design

- 2.12 York Consulting Ltd conducted 33 telephone interviews with Individual Learning Account course providers in England between 26th February and 4th May 2001. The questionnaire used is shown at **Appendix B**.

Sample design

- 2.13 The survey of learning providers was intended to provide qualitative data as the sample size was too small to provide statistically robust feedback. The sample was provided by Capita.

Questionnaire design

- 2.14 The questionnaire for Individual Learning Account course providers was designed by York Consulting Ltd and MORI in consultation with DfES.

Interpretation of data

- 2.15 It should be noted that a sample, and not the entire, population of Individual Learning Account course providers has been interviewed. This means that all the results are subject to sampling tolerances and that not all differences are statistically significant.

3 MAIN FINDINGS

- 3.1 Apart from paragraphs 3.2 to 3.5 below, this chapter is based upon the responses of people who had redeemed their Individual Learning Account i.e. who had used it to help meet their learning costs. However, where any significant differences were apparent between the responses of redeemers and non-redeemers, these are referred to under the appropriate heading.

Non-redeemers

- 3.2 There were very few differences evident between the profile and responses of redeemers and non-redeemers in England.

- 3.3 We wanted to identify the reasons why non-redeemers had not yet chosen to use their Individual Learning Account. The main reasons, with the percentage of respondents mentioning each item, were given as:

- time pressures (25%);
- not having reached a decision upon which course to take/no suitable courses in area (22%);
- awaiting course start date (19%).

- 3.4 Financial pressures, and a need for advice and guidance, were mentioned by a small number of non-redeemers (7% and 6% respectively) along with a wide variety of other reasons given by individual respondents. These included:

- being too late to use their Individual Learning Account i.e. that the course had progressed too far for them to be able to catch up;
- the course they wished to take was not eligible for Individual Learning Account support;
- the course they wanted to take was cancelled due to low student numbers.

- 3.5 These findings, although not statistically robust, are in line with those provided by non-redeemers in the other three countries and indicate that the main reasons do not relate to Individual Learning Accounts but to external influences.

Key characteristics of redeemers

- 3.6 The profile of respondents contacted in England was broadly similar to that in the other three countries in terms of gender, age and social class. The number of non-redeemers contacted was not large enough to provide robust findings, but does show that their profile is similar to that of redeemers. This indicates that no one particular group is experiencing obstacles to the use of their Individual Learning Account.

Gender

- 3.7 As can be seen from **Table 3.1** below, women outnumbered men amongst the sample with 59% being female. As approximately 51% of the population in each country is female it is apparent that Individual Learning Accounts are proving particularly attractive to this gender.
- 3.8 This has continued to be the case as, when looking at the data available from the Individual Learning Account Centre (ILAC) at the end of May 2001 the predominance of females amongst redeemers was still evident. These figures are shown in brackets in **Table 3.1**.

Ethnicity

- 3.9 The majority of respondents were white with 5% stating that they were from another ethnic background. The presence of ethnic minority groups amongst the sample was within one percentage point of the equivalent proportion for England of the English population and does not appear to indicate that there are any disincentives or obstacles to their participation.
- 3.10 To enable a comparison with more recent data, we have included information from the Individual Learning Account Centre database on people who had redeemed their Individual Learning Account by the end of May 2001. These figures are shown in brackets in **Table 3.1** below. A significant proportion of account holders (20%) had not provided the Individual Learning Account Centre with information on their ethnicity but, despite this gap, there appears to be an increase in account holders from the ethnic minorities.

Age

- 3.11 Over half of the redeemers contacted were within the 31-50 age group with only small proportions being 20 years of age or younger. This is not surprising as it is necessary to be 19 years or above to be eligible for an Individual Learning Account in England.

- 3.12 To enable a comparison with more recent data, we have included figures taken from the Individual Learning Account Centre database covering the period up until the end of May 2001. These figures are shown in brackets within **Table 3.1** below.

| Table 3.1: | | | | | | | |
|--|----------------|------------------|------------------|----------------|----------------|----------------|----------------|
| Key characteristics of ILA redeemers (%) (N = 1021) | | | | | | | |
| Gender | | Ethnicity | | | Age | | |
| Male | Female | White | Non-white | Refused | 19-30 | 31-50 | 51+ |
| 41 (42) | 59 (58) | 93 (68) | 5 (12) | 2 (20) | 24 (27) | 54 (52) | 22 (21) |

Social class

- 3.13 For the purposes of analysis we have grouped social classes A and B together, and D and E together within this report (see Appendix D for Social Class Definitions used by MORI). The most frequently represented social class amongst ILA account holders was C1 which includes non-managerial and non-professional administrative and sales staff as well as nurses and technicians.

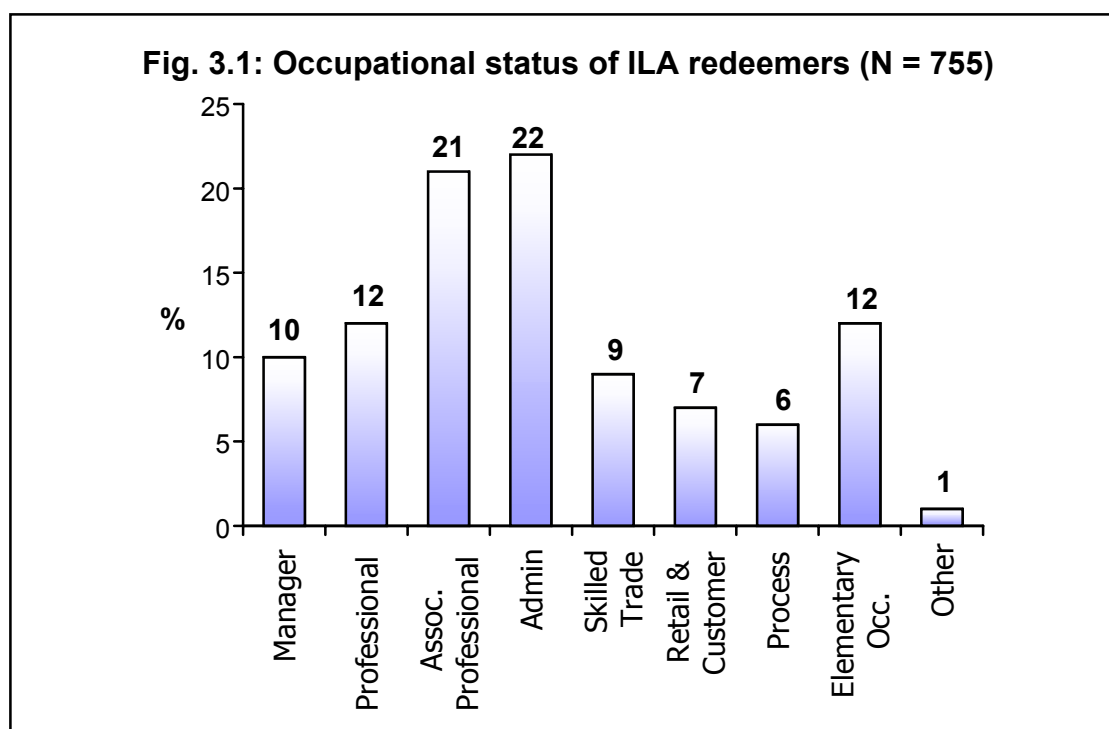
| Table 3.2: | | | | | |
|---|-----------|-----------|-----------|-----------|----------|
| Social grade of ILA redeemers (%) (N = 1021) | | | | | |
| A | B | C1 | C2 | D | E |
| 3 | 15 | 37 | 25 | 13 | 6 |

Main occupation

- 3.14 The majority of respondents were in full-time or part-time employment, with smaller proportions being self-employed, unemployed or classifying themselves as labour market returners.
- 3.15 To enable a comparison with more recent data, we have included figures taken from the Individual Learning Account Centre database covering the period up until the end of May 2001. Where the later figures are available, they are shown within brackets in **Table 3.3** below.

| Table 3.3. ILA Redeemers – Main Current Activity % (N = 1021) | | | | | | |
|--|---------------|--------------------|------------|-------------------|---------|-------|
| Employed | Self-Employed | Education/Training | Unemployed | Returning to Work | Retired | Other |
| 69 (70) | 5 (10) | 5 (2) | 8 (8) | 4 (5) | 7 (4) | 2 (2) |

3.16 **Figure 3.1** below provides details of the occupational status of redeemers contacted through this survey. Individual Learning Accounts are clearly attracting a significant proportion of individuals who are likely to have undertaken learning on regular occasions in the past, as 43% of the sample were in managerial, professional, or associate professional occupations.



Target groups and previous learning experiences

Target groups

3.17 At the time of this study, the target groups in England were labour market returners, 19-30 year olds with few or no qualifications, non-teaching school staff and the self-employed.

3.18 It proved difficult to make contact with the desired number of individuals within each of the key target groups. Not only was data not being sought from Individual Learning Account applicants on their membership of some key target groups but a significant number of those identified as a member of a target group on Capita's database proved not to be when MORI Telephone Surveys (MTS) made contact with them.

3.19 **Table 3.4** provides data on the proportion of respondents who fell into each of these categories. We have also provided data from the Individual Learning Account Centre (ILAC) database where this falls into the categories shown – the ILAC data relates to Individual Learning Account redeemers up to the end of May 2001.

3.20 It was not possible to provide more up-to-date information on:

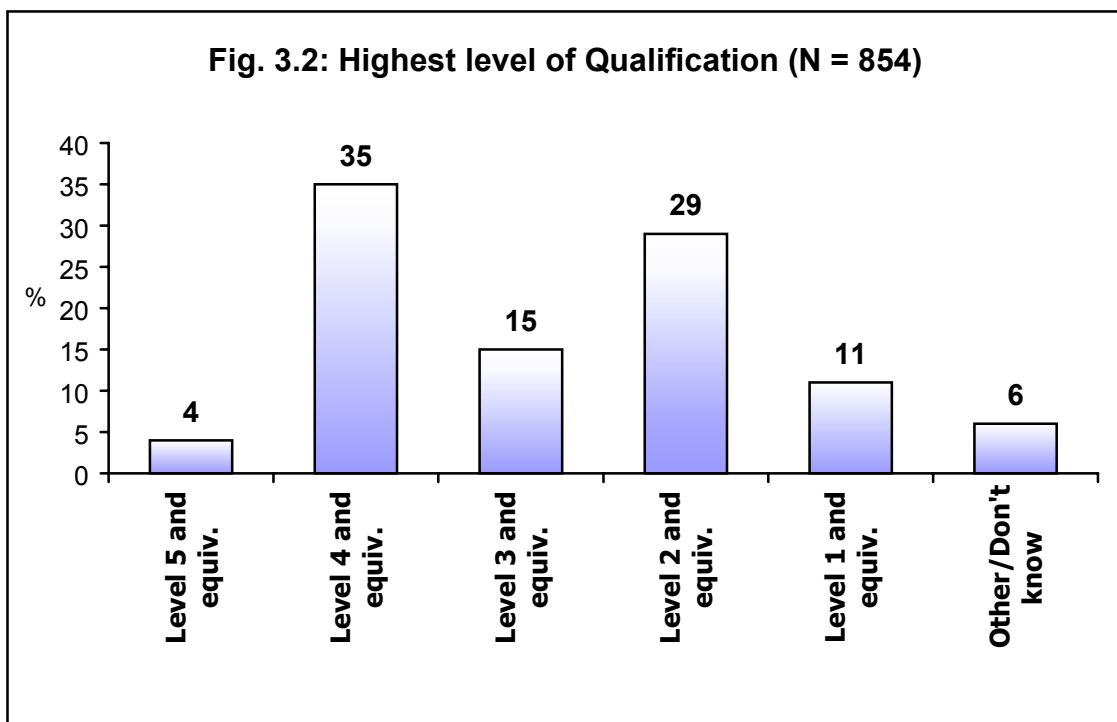
- **people with no qualifications** - Individual Learning Account applicants are only asked for their highest qualification and are not specifically asked to state if they have no qualifications. Nor is it feasible to say that the people who did not respond to the "highest qualification" question were those who did not have any qualifications as they were often working towards a qualification equivalent to NVQ level 2 or above.

| Table 3.4: Proportion of ILA redeemers within target groups (N = 172) | | |
|---|----------------------------|---|
| | Survey findings (%) | ILAC database as at end May 2001 (%) |
| Labour market returners | 4 | Comparable data not available |
| Self-employed | 5 | 10 |
| 19-30 year olds with few or no qualifications (this figure relates to individuals with <u>no</u> qualifications) | 11 | Comparable data not available |
| Non-teaching school Staff | 7 | 6 |

3.21 The rationale behind the choice of some of these target groups is not clear, and we would recommend that DfES gives further consideration to their choice of target groups for the next stage of Individual Learning Account development. Any specific marketing undertaken with target groups appears to have had little impact upon their recruitment.

Previous learning experiences

- 3.22 The vast majority of respondents (84%) already possessed some form of qualification, with only 16% of the redeemer sample having no qualifications at all. This figure is slightly lower than that given within the Labour Force Survey 2000 which found that 16.5% of the UK working age population had no qualifications.
- 3.23 Figure 3.2 below shows the highest qualification level of account holders, with almost two-fifths (39%) stating that they possessed a qualification equivalent to NVQ level 4 or above.



- 3.24 As Individual Learning Accounts are open to everyone over 19 years of age in England, they are bound to attract a wide range of people but they do appear to be attracting a higher proportion of qualified individuals, many of whom (20%) have previously participated in Higher Education.
- 3.25 In comparison, a slightly higher proportion of redeemers (22%) said that they had not undertaken any form of training/learning during the previous twelve months.

| Table 3.5: Previous learning undertaken (N = 1021) | |
|--|-----|
| Possessing some form of qualification | 84% |
| No qualifications | 16% |
| Attended college course in past | 61% |
| Attended Higher Education in past | 20% |
| Attended taught course leading to a qualification in past 12 months | 25% |
| No training/learning undertaken in past 12 months | 22% |

Figures do not add up to 100 as more than one response could be given.

3.26 The profile of 80% discount holders showed little, if any, variation from the above figures.

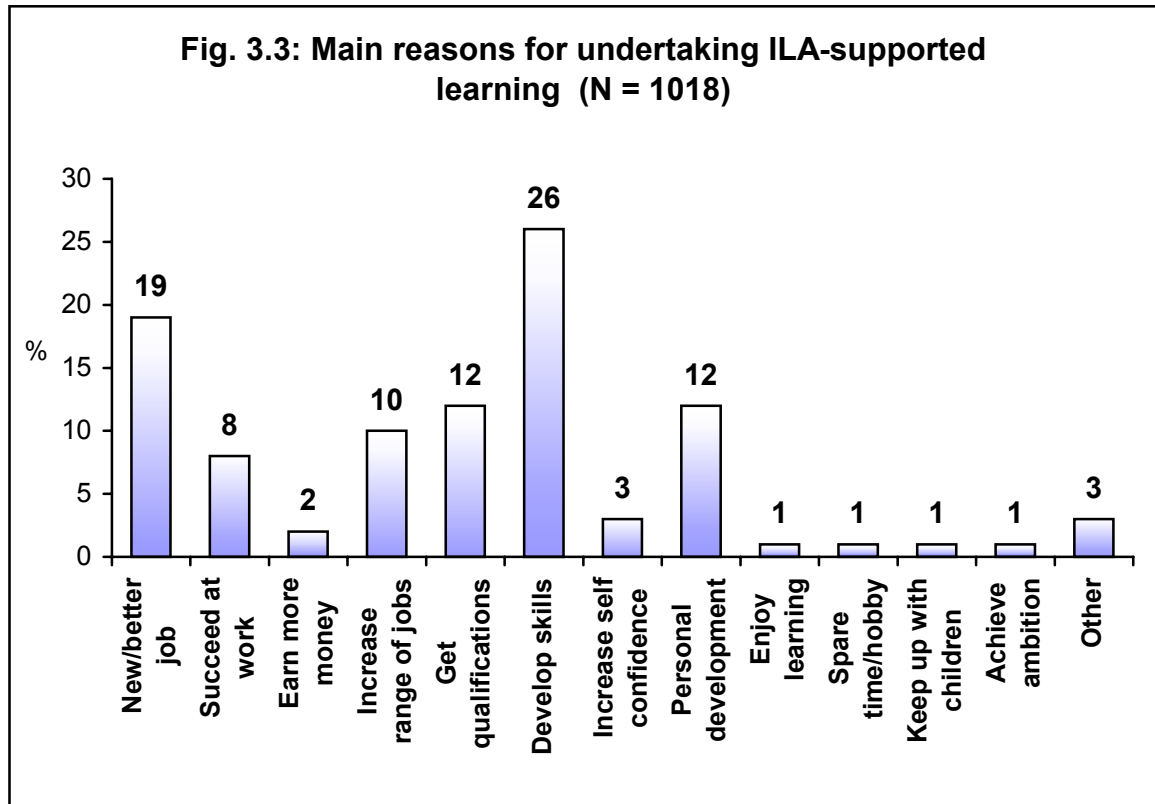
3.27 When analysing responses to the question relating to learning undertaken over the past twelve months, variations were apparent between redeemers and non-redeemers. It has not been possible to draw any conclusions from these results which showed that fewer non-redeemers had undertaken a taught course leading to a qualification and fewer had attended a Further Education college.

Main reasons for undertaking ILA-supported learning

3.28 Redeemers gave a wide range of reasons for undertaking the learning supported by their Individual Learning Account, but the most frequently mentioned main reasons were, in order of popularity:

- to develop new skills;
- to get a new or better job;
- to obtain qualifications;
- personal development.

3.29 Responses given by non-redeemers showed little variation from the redeemer responses shown in **Figure 3.3** below.



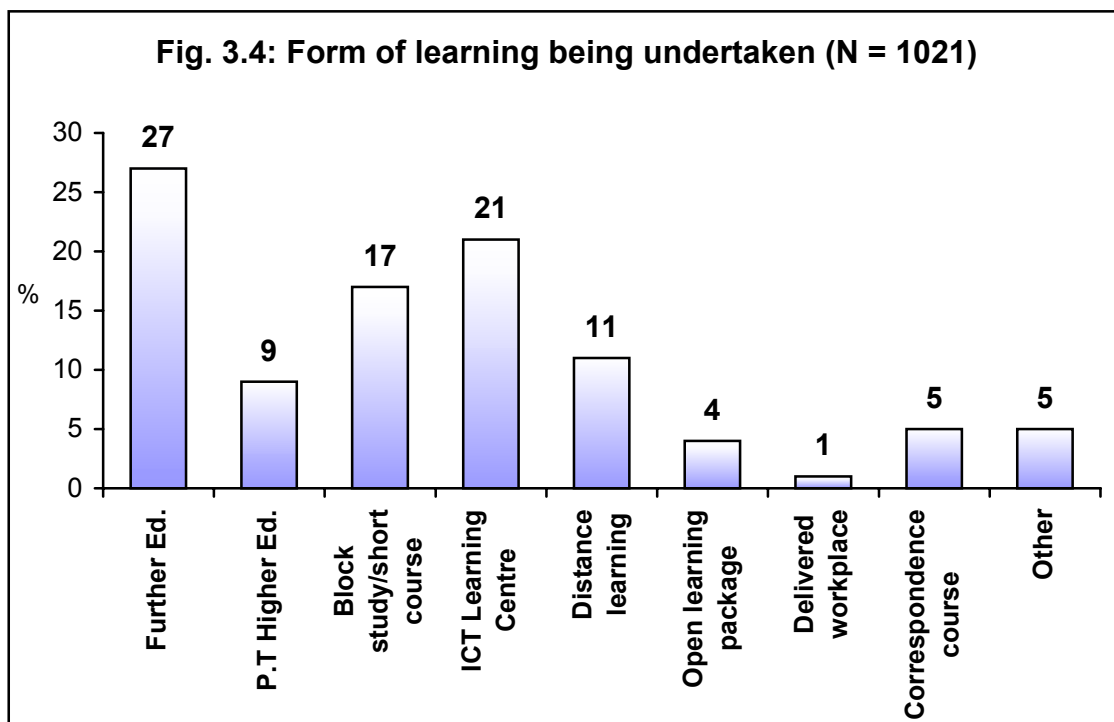
3.30 There were indications that some members of the key target groups had slightly differing reasons for undertaking the learning supported by their Individual Learning Account. Differences identified were that:

- a greater proportion of the **unemployed** cited “getting a job”;
- a greater proportion of **non-teaching school staff** cited “to succeed at work”;
- a greater proportion of **labour market returners** cited “to obtain qualifications”;
- a lower proportion of **21-30 year olds** and the **unemployed** cited “to develop skills.”

Learning supported by Individual Learning Accounts

Form of learning undertaken

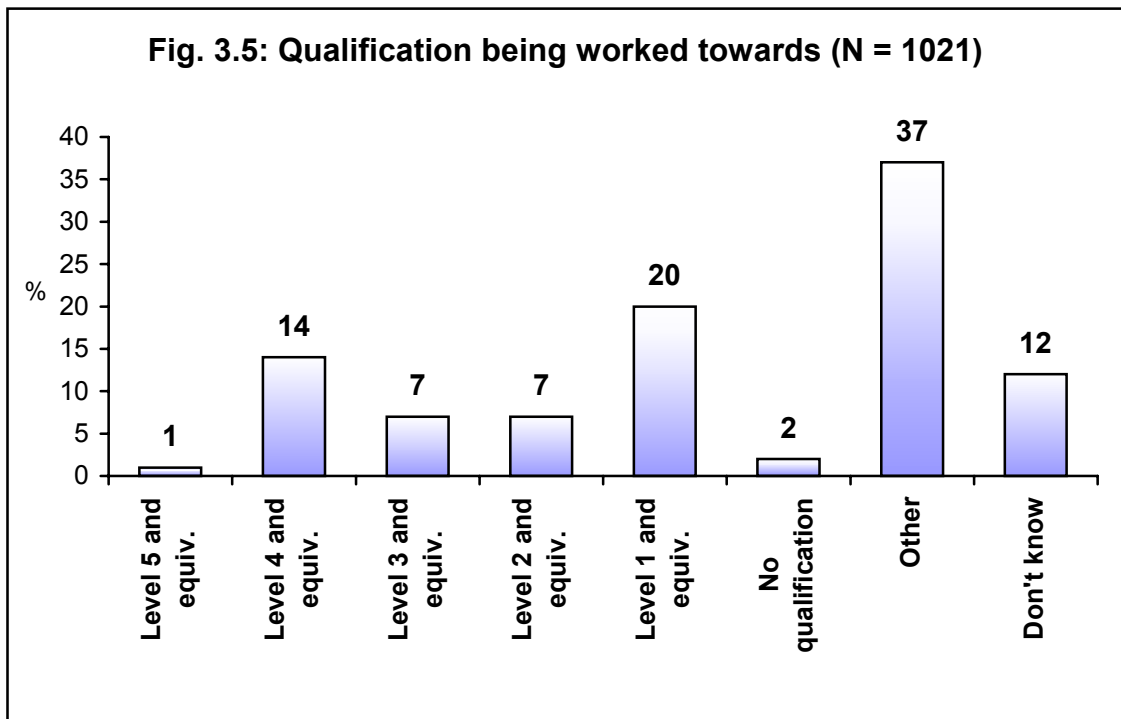
- 3.31 We also asked redeemers what form of learning they were undertaking with support from their Individual Learning Account. Individual Learning Accounts are clearly supporting learning via a wide range of delivery methods, and redeemers' responses are outlined in **Figure 3.4** below.



- 3.32 It is worth noting that 9% of redeemers stated that they were undertaking a part-time Higher Education course, yet this form of learning is not eligible for Individual Learning Account support in England. One reason for this may be that, as part-time Higher Education is eligible within the other countries, ILAC staff may have overlooked the fact that the eligibility criteria differ in England. This issue is worthy of further investigation though as the current system is allowing individuals to gain funding for ineligible courses.

Qualification being worked towards

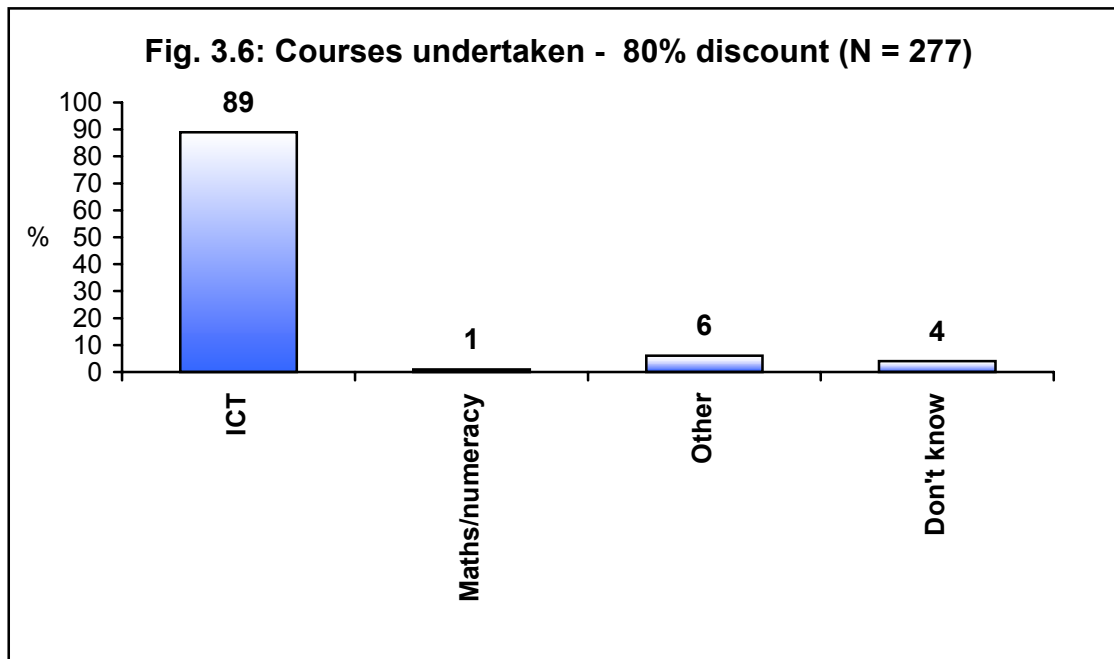
3.33 Redeemers were asked to identify which of a range of possible qualification levels they were working towards with support from their Individual Learning Account. We have gathered their responses together into NVQ levels (or equivalent) but these are approximations as, in a number of cases, it was difficult to identify the exact level from the data provided. Also, as can be seen from **Figure 3.5** below, over one-third of respondents said that their course did not fit into any of the classifications suggested to them.



The responses given above in Fig. 3.5 are approximations only.

Courses supported by the 80% discount

3.34 We had intended to make contact with 370 redeemers who were in receipt of an 80% course discount but, when MORI Telephone Surveys (MTS) contacted people who were listed on Capita's database as being in receipt of an 80% discount, only 277 of the 370 agreed that this was the discount they were receiving. It is these 277 whose responses have been used to inform the analysis of 80% account holders given below in **Figure 3.6**.



3.35 A possible explanation for this misunderstanding emerged during our consultations with providers. Many said that they had explained Individual Learning Accounts in terms of the amount of money that they could provide rather than in terms of a percentage discount, as many people found this easier to understand.

3.36 During their telephone interviews with individuals receiving an 80% discount, MORI Telephone Surveys (MTS) asked if the individual had accessed:

- an “introductory Information Technology/ICT course”;
- an “introductory Numeracy/Maths” course.

3.37 It is possible that the use of the word “introductory” led to a high proportion of respondents stating that they were not on one of the listed courses as they perceived the IT course that they were attending to be at a higher level e.g. European Computer Driving Licence.

3.38 The “other” category shown in **Figure 3.6** reflects (in part) the individuals who were receiving 80% discounts for ineligible courses – examples given by respondents included plumbing, police promotion examinations, feng shui and crystal healing. These findings were confirmed by a small number of providers who stated that they were aware of providers who were claiming an 80% discount for ineligible courses.

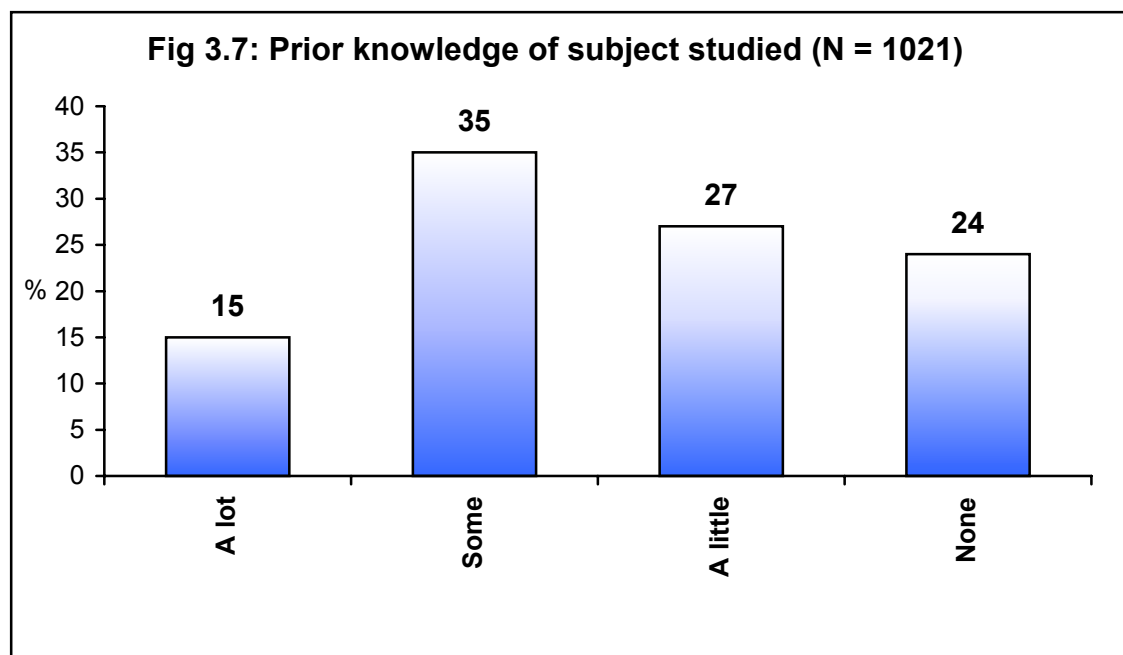
3.39 Irrespective of this, it is clear that the vast majority of those receiving an 80% discount were participating in Information Technology/ICT courses.

3.40 The 80% discount was allocated to “introductory” courses with the intention that these courses would be accessed by individuals with lower skill levels. In reality, the profile of 80% discount holders almost exactly mirrors the overall proportions of redeemers with and without qualifications as shown at Table 3.5. Similarly, the profile of qualifications previously obtained by 80% discount holders is very similar to the profile shown at Table 3.5.

Prior knowledge

3.41 A half of redeemers stated that they had a lot/some prior knowledge of the subject(s) that they were studying with support from their Individual Learning Account, and twenty seven per cent said that they had a little prior knowledge. Only just under one-quarter (24%) stated that they had no prior knowledge.

3.42 This reinforces the view that Individual Learning Accounts are tending to attract lifelong learners rather than individuals with no previous experiences of learning. See **Figure 3.2** for details of highest qualification held by Individual Learning Account holders.



Deadweight

3.43 We asked redeemers a series of questions to help with the identification of deadweight - meaning, in this case, the proportion of redeemers who would have undertaken the learning without support from their Individual Learning Account. These questions were not intended to provide statistically robust information relating to deadweight, but to provide approximate indications.

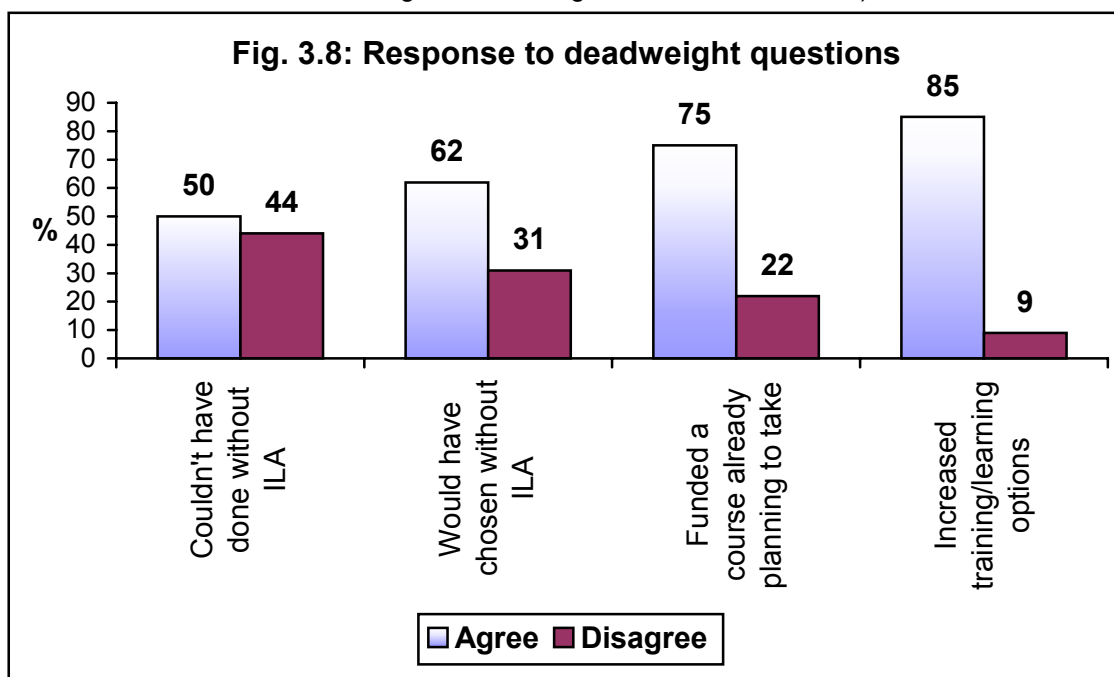
3.44 MORI Telephone Surveys (MTS) interviewers therefore asked redeemers for their responses to the following statements:

- “Without the ILA I would not have been able to pay for my course”
- “I would have chosen to take the course even without ILA funding”
- “The ILA helped to fund a course that I was already planning to undertake”
- “The ILA has increased the training/learning options open to me.”

3.45 For each of these statements, redeemers were asked whether they:

- strongly agreed;
- fairly agreed;
- neither agreed nor disagreed;
- fairly disagreed; or
- strongly disagreed.

(The first two and last two categories above have been combined in the figure below – they do not add to 100 as “neither agreed nor disagreed” has been omitted).



3.46 Details are provided below on the responses given to each of the four statements.

Q1. “Without the ILA I would not have been able to pay for my course”

3.47 Fifty per cent of redeemers agreed with this statement, whilst 44% disagreed indicating that they would have been able to pay for the course without their Individual Learning Account.

3.48 Groups who were more likely to state that they could have paid for their course without Individual Learning Account funding support included those in social classes A and B, those not receiving an 80% discount and those contributing £150 or more towards their course costs.

3.49 Groups who were less likely to have paid for their course without Individual Learning Account funding support included those in social classes D and E, those with no qualifications, those receiving an 80% discount and those who were unemployed.

Q.2 “I would have chosen to take the course even without ILA funding”

3.50 Sixty two per cent of redeemers stated that they would have chosen to take the course, whilst 31% said that this was not the case for them. It is difficult to assess potential deadweight from this question as an individual may have chosen to take the course but found that they did not have the resources to be able to pay for it.

3.51 Groups who were more likely to state that they would have chosen to take the course even without Individual Learning Account funding included those not receiving an 80% discount and those contributing £150 or more towards their course costs.

3.52 Groups who said that they were less likely to have chosen to take the course without Individual Learning Account funding included those receiving an 80% discount, the unemployed and those contributing less than £50 towards their course costs.

Q.3 “The ILA helped to fund a course that I was already planning to undertake”

- 3.53 Seventy four per cent of redeemers stated that their Individual Learning Account was helping to fund a course they were already planning to undertake, whilst 22% said that this was not the case for them.
- 3.54 Groups who were more likely to indicate that their Individual Learning Account was helping to fund a course that they were already planning to undertake included those contributing £150 or more towards their course costs and those not receiving an 80% discount.
- 3.55 Groups who were more likely to indicate that they had not been planning to undertake the course included those receiving an 80% discount and those who were unemployed.

Q. 4 “The ILA has increased the training/learning options open to me”

- 3.56 A significantly higher proportion of redeemers (85%) agreed with this statement than had agreed with any of the previous three questions, with only 8% disagreeing with it.
- 3.57 Social classes D and E were more likely to indicate that their Individual Learning Account had increased their training/learning options than any other group.
- 3.58 Social classes A and B, and those contributing £150 or more towards their course costs, were more likely to have indicated that their Individual Learning Account had not increased their training/learning options.

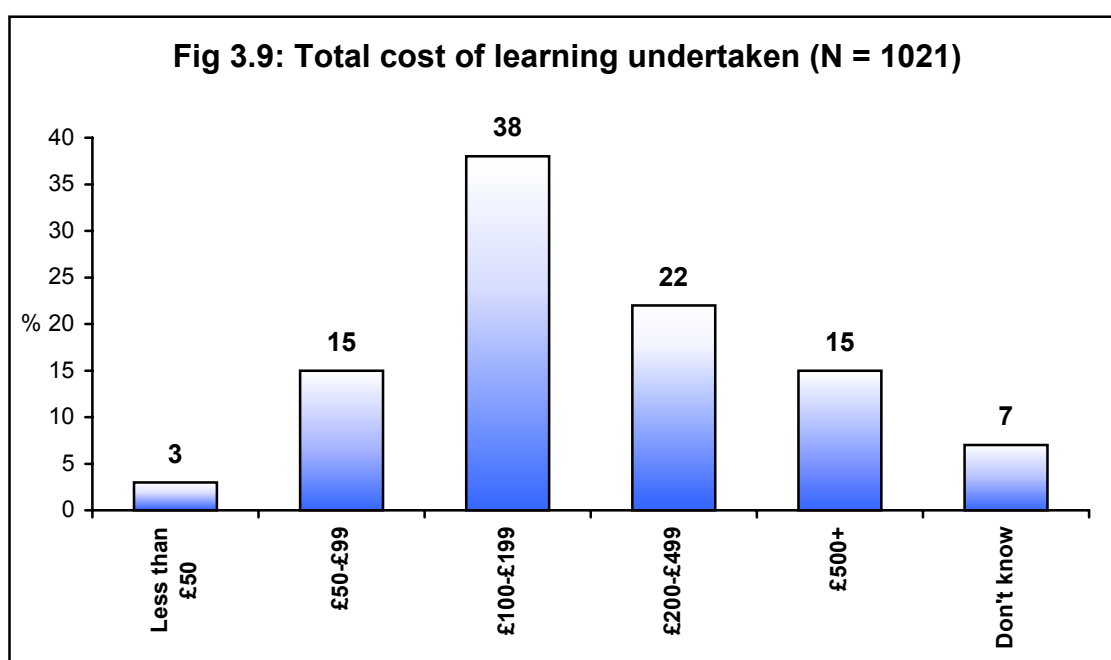
Level of deadweight in England

- 3.59 We regard the responses given by redeemers to Q1: “Without the ILA I would not have been able to pay for my course” as providing the most accurate indication of deadweight in England with 44% of respondents stating that they could have paid for their course without an Individual Learning Account.
- 3.60 This level of potential deadweight is not surprising when you consider that Individual Learning Accounts are not means-tested and are open to everyone over 19 years of age in England.

Course costs and contributions

Cost of learning supported by Individual Learning Accounts

3.61 We asked redeemers for the total cost of the course that they were undertaking with support from their Individual Learning Account. The courses involved a wide range of costs, but over half (56%) had a cost below £200, see **Figure 3.9**. In relation to higher cost courses, just over one-fifth of the total (22%) cost between £200 and £499 with 15% of courses being undertaken costing £500 or more.

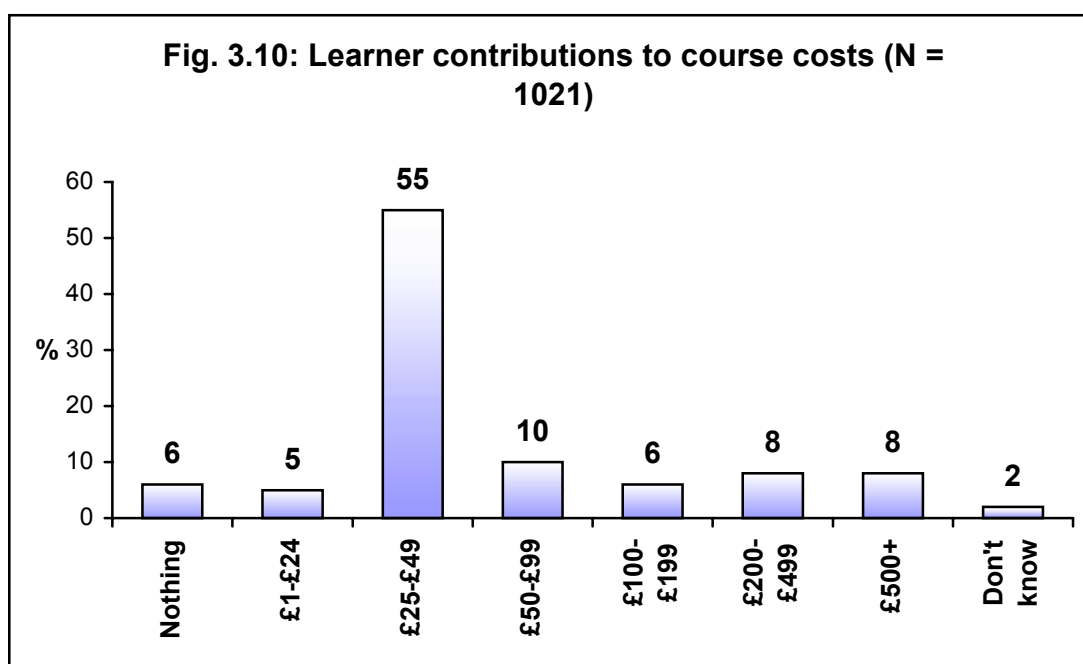


3.62 It is interesting to note that higher proportions of 21-30 year olds, males and the unemployed were undertaking courses costing £500 or more. It is difficult to draw any conclusions from the percentage of unemployed people undertaking courses at this cost as the numbers were not statistically significant, but it is reaffirmed by the finding that a lower percentage of this group were undertaking courses costing £100 or less.

Learner contributions to course costs

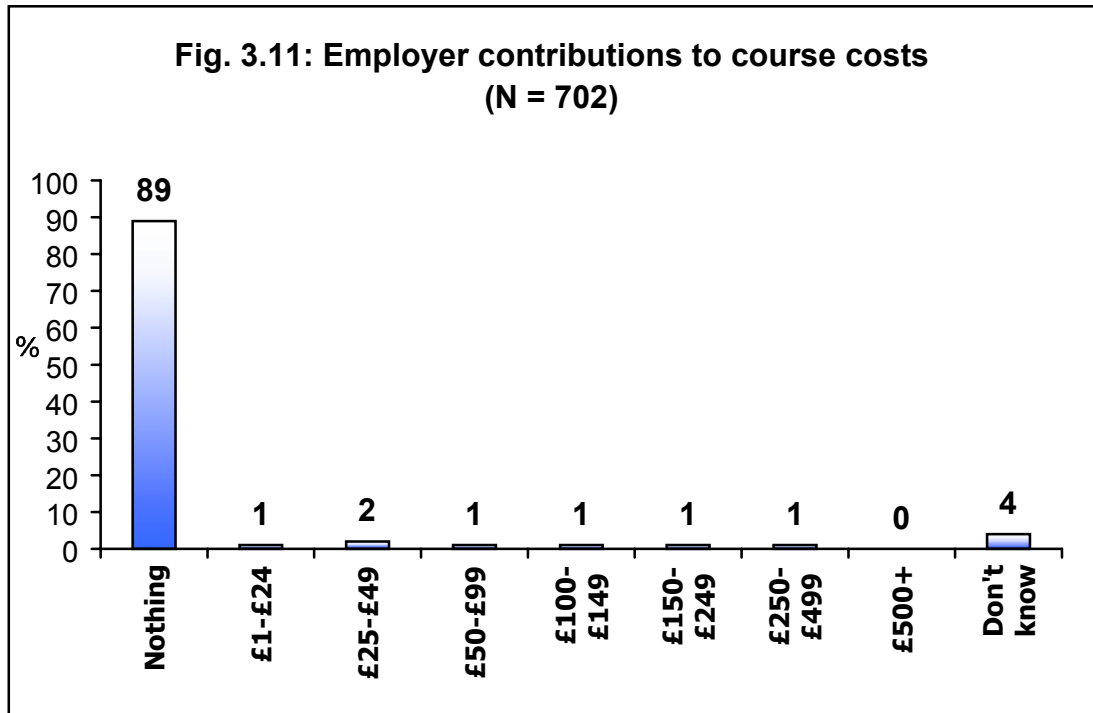
3.63 The majority of redeemers were paying less than £50 towards their course costs and, as can be seen from **Figure 3.10** below, a significant minority stated that they had contributed less than the required £25 towards the learning supported by their Individual Learning Account.

- 3.64 During our consultations with providers, a small number reported that some employees had been able to get their employer to pay the remainder of their course costs once the Individual Learning Account discount had been applied. When the interviewer queried this with these providers, they did not appear to be aware that the individual was supposed to contribute at least £25 of their own funding towards their course costs.



Employer contributions to course costs

- 3.65 The majority of employed redeemers indicated that their employer was not contributing to the costs of their Individual Learning Account supported learning.
- 3.66 We asked providers if employers tended to be contributing towards certain courses more than others. Those who were aware of employers making contributions towards ILA supported courses, commented that they tended to be more interested in ICT courses and those relating to health and safety issues.



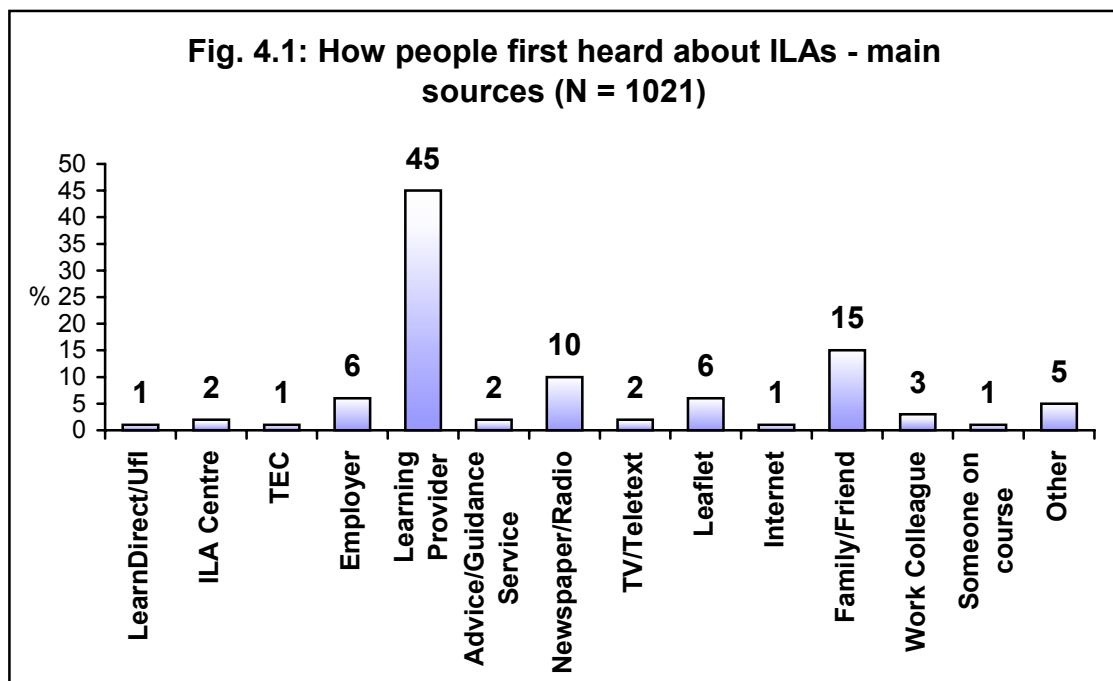
3.67 There appeared to be confusion amongst a significant minority of providers over the impact, and implications, of employer contributions. Some were aware of the regulation stating that the discount only applied to the course costs that remained following any employer contribution – this had discouraged some providers from marketing Individual Learning Accounts as they felt that employer contributions only “complicated matters.”

3.68 Other providers appeared to be unaware of this regulation in that they were marketing their IT courses to previous business clients, stating that the course would cost £200 per person and that £175 of that amount could be funded through an Individual Learning Account.

4 ACCESSING AND USING AN INDIVIDUAL LEARNING ACCOUNT

Marketing

- 4.1 Individuals were asked how they had first heard about Individual Learning Accounts. The most common source was learning providers who were mentioned by over one-third of respondents in each country. The other most common sources, although with significantly fewer responses, were family/friends and newspaper/radio advertisements. The figures for England are shown in **Figure 4.1**.

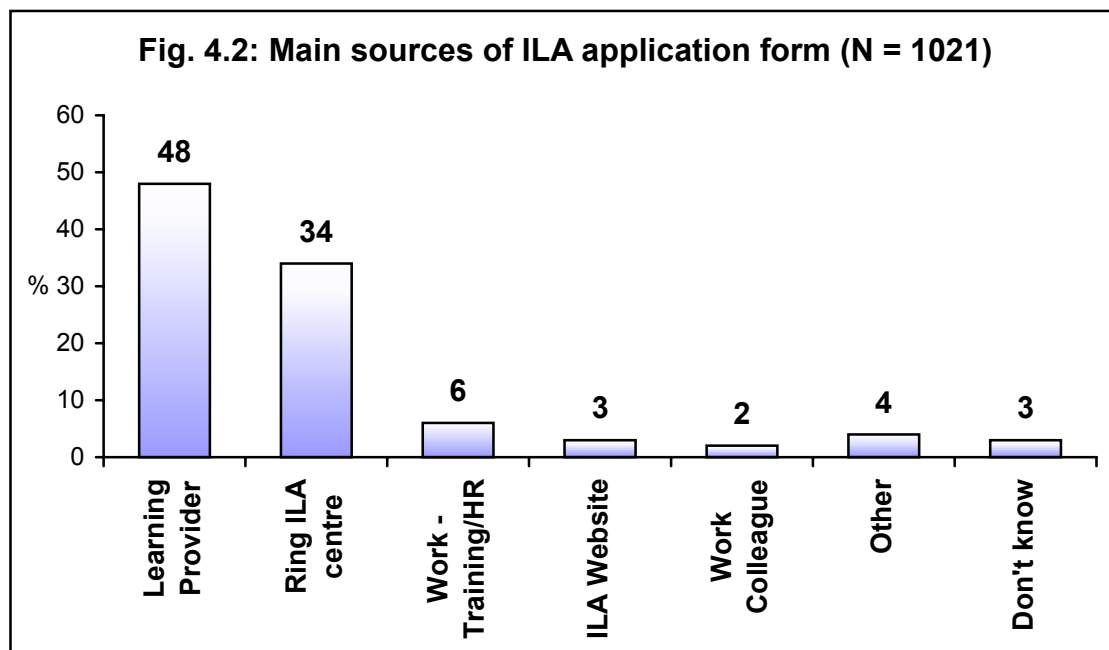


- 4.2 Learning providers said that they tended to market Individual Learning Accounts by handing out leaflets during admissions sessions, talking to potential learners about the discounts available and/or adding a brief mention in course prospectuses. Very few had undertaken targeted marketing – those who had undertaken targeted marketing had sent marketing literature to companies who had previously sent employees onto their courses.

- 4.3 This helps to explain why the vast majority of Individual Learning Account holders contacted through this survey possessed qualifications and had undertaken some form of learning since leaving school. If the main marketing source is learning providers, and they say that they are marketing Individual Learning Accounts to learners who approach them to enquire about courses, it is not surprising that the majority of redeemers are already lifelong learners.
- 4.4 A small number of providers asked us where they could access marketing leaflets on Individual Learning Accounts. Others reported that they knew of providers whose marketing literature stated that learners would definitely receive the £150 incentive, and relevant associated discounts, if they took up learning with that provider.

Application form

- 4.5 Learning providers emerged as a major source of the Individual Learning Account application form, which is not surprising as they are a major marketing/information source to potential learners. The majority of respondents stated that they found the form either very or fairly easy to complete.

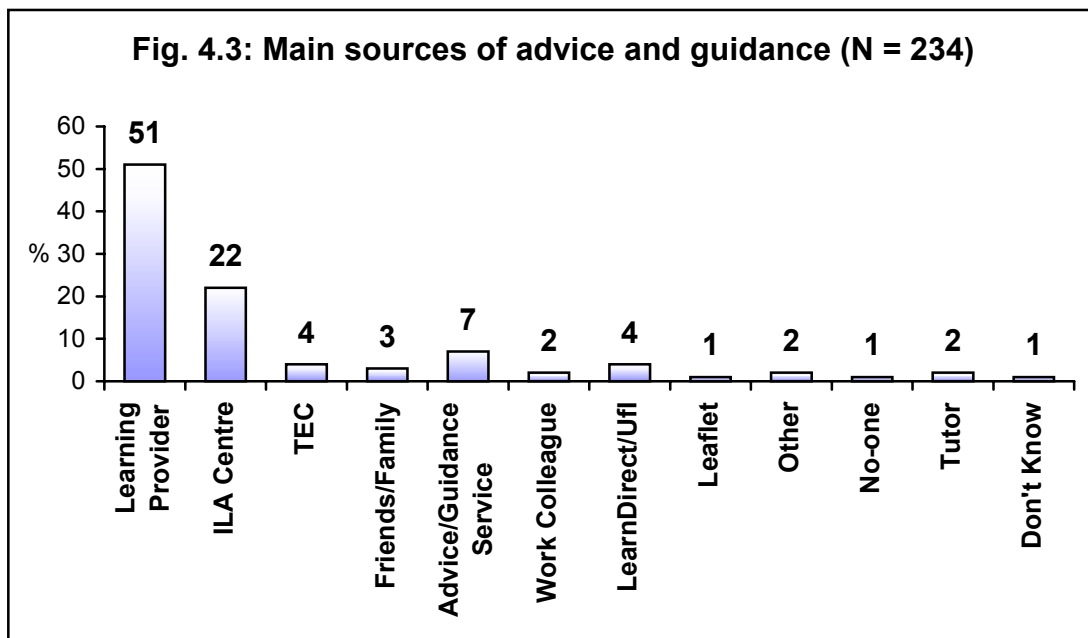


Advice and guidance

4.6 Approximately three-quarters of redeemers stated that they had not required advice or guidance to use their Individual Learning Account. Respondents who were more likely to state that they had required advice or guidance were:

- those with no qualifications;
- 51+ year olds;
- under 31-year olds.

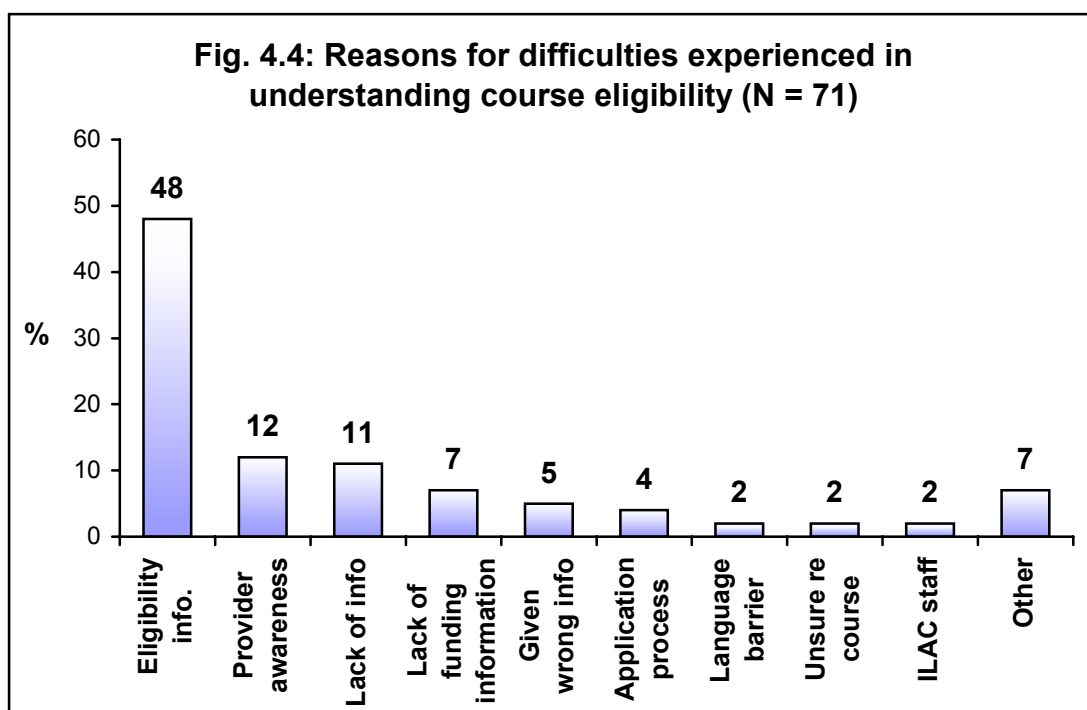
4.7 Learning providers again emerged as a major source of advice and guidance. The other most frequently mentioned source in England was the Individual Learning Account Centre. The main sources of advice and guidance are outlined in **Figure 4.3** below.



Course eligibility

4.8 The majority of respondents (82%) said that they found it easy to understand which courses were eligible for Individual Learning Account support, with 7% stating that they had experienced some difficulties.

4.9 We asked the redeemers who had experienced problems what had caused them the most difficulty. The key areas are outlined in **Figure 4.4** below, with a lack of, or confusing, information about course eligibility emerging as the main reason.



Using an Individual Learning Account to pay for learning

- 4.10 The majority of redeemers (94%) indicated that they had found it either very or fairly easy to use their Individual Learning Account to pay for learning with only 3% stating that they had experienced some difficulty.
- 4.11 We did not ask a follow-up question to identify what difficulties this small proportion of redeemers had experienced, and the profile of responses does not provide statistically significant data to identify whether one group experienced more difficulties than any other.

Views on service provided by the Individual Learning Account Centre

- 4.12 A series of questions were asked of redeemers and non-redeemers to obtain their views on the service provided by the Individual Learning Account Centre (ILAC). Providers were also asked for their views of the provider registration and claims service – their responses are outlined in the following section.

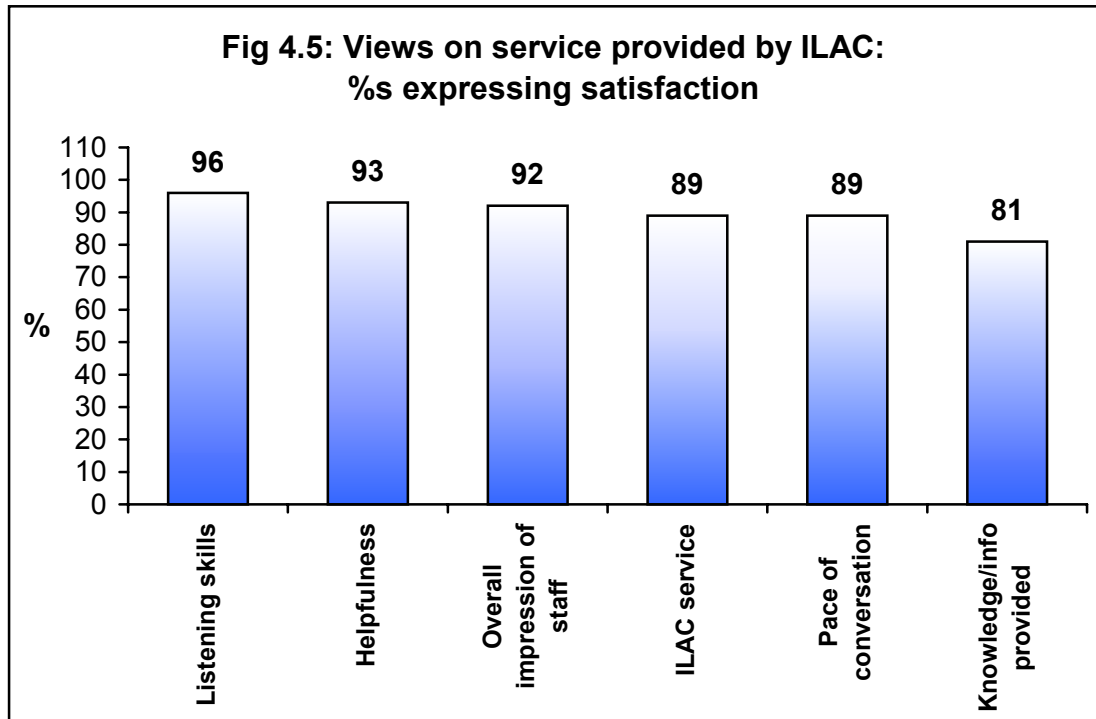
4.13 It is worth bearing in mind that many of the respondents would have opened their Individual Learning Account, or registered as a course provider, as far back as September 2000 when the Individual Learning Account Centre was first established. Certainly, many of those providers who had been in contact with the Centre on a regular basis commented that the service had improved over recent months.

Individual Learning Account holders' responses

4.14 The questions asked of Individual Learning Account holders were:

- “How would you rate their [ILAC staff] **helpfulness**?”
- “How would you rate their **knowledge** of Individual Learning Accounts and the **amount of information** that they gave you?”
- “Did you feel that the **pace of their conversations** with you was appropriate?”
- “Did you feel that the ILAC staff **listened** to what you had to say?”
- “Were the ILAC staff polite and friendly/impolite and unfriendly/other?”
- “How would you rate the **security measures** used when you contact the ILAC for information on your ILA account?”
- “What is your **overall impression** of the service provided by the ILAC?”

4.15 A high level of satisfaction was evident amongst redeemers and non-redeemers – the percentages giving a positive response are shown in **Figure 4.5** below.



4.16 As can be seen from **Figure 4.5** above, the percentages expressing satisfaction were 89% and above except in relation to the knowledge of ILAC staff and the information that they had provided to callers. This was also an area of concern expressed by course providers.

5 PROVIDER FEEDBACK

- 5.1 Staff from York Consulting Ltd contacted 33 providers of ILA supported courses across England. This does not provide statistically significant data but does give an indication of the impact of ILAs on providers, and of issues that would benefit from further investigation.

Impact of Individual Learning Accounts upon student numbers and type

- 5.2 Most providers reported little impact upon the number or type of students coming onto their courses. Where there had been a noticeable impact upon numbers, this was experienced by providers of IT courses. More students are expected in future, but there was a general view that many people had not been aware of Individual Learning Account funding support when applying for courses that started in September 2000.
- 5.3 There was little evidence of changes in the type of students accessing courses because of Individual Learning Accounts. This may be due to the fact that it is often the provider who is informing potential learners about this funding support when they attend the provider's premises for an initial interview.
- 5.4 A small number of providers felt that the funding available through Individual Learning Accounts was not enough to encourage new learners.

Impact of Individual Learning Accounts upon course provision and content

- 5.5 Very few providers reported any impact on the number of courses provided – the only exceptions to this were specialist IT course providers who had increased the number of courses on offer due to increased demand. No provider reported any changes in course content.
- 5.6 A small number of providers felt that the IT courses eligible for the 80% discount were not the ones required to reduce IT skills shortages.

Understanding of Individual Learning Account eligibility

- 5.7 A significant level of misunderstanding and confusion became evident during our consultations with providers, particularly amongst those offering courses other than those eligible for an 80% discount. Some providers asked if we could provide a comprehensive list of courses that were/were not eligible for £150 incentives/20% discounts as they were uncertain about eligibility.
- 5.8 Some UK-wide providers were particularly confused and one reported that a course was eligible for funding in England but not in Wales. Others reported that they were aware of other providers who were claiming Individual Learning Account discounts for courses that were clearly not eligible e.g. leisure/arts courses. Suggestions from providers included to ensure that fraudulent claims became easier for the Centre to identify.
- 5.9 In a small number of cases, there was confusion about individual eligibility for Individual Learning Account support, with some providers thinking that the unemployed could not apply for Individual Learning Account funding.

Employer support

- 5.10 Some confusion was apparent about the role of employers and how the Individual Learning Account discount was applied if an employer contributes to course costs. One provider who did understand that the discount applied to the remainder of course costs (up to the upper funding limit) remaining after the employer contribution, said that it was not in his interests to encourage employer contributions as it caused the provider more confusion and paperwork.
- 5.11 Some smaller providers reported that the introduction of Individual Learning Accounts had helped them to offer attractive “course packages” to companies, resulting in lower charges to the employer.

Marketing of Individual Learning Accounts

- 5.12 Learning providers have tended to market Individual Learning Accounts by handing out leaflets during admissions sessions, talking to potential learners about the discounts available and/or adding a brief mention in course prospectuses. Very few have undertaken targeted marketing – those who undertaken targeted marketing have sent marketing literature to companies who have sent employees onto their courses in the past.

- 5.13 A number of providers asked where they could access marketing leaflets on Individual Learning Accounts, and some reported that other providers were marketing Individual Learning Accounts “unethically” by promising the £150 contribution to potential learners within their marketing literature.

Impact of Individual Learning Accounts upon provider administration

- 5.14 Those providers with more than a few Individual Learning Account-supported individuals on their courses reported an increase in their administrative duties. A particular concern was the need to complete two forms at separate times i.e. before the individual starts their course and on starting. IT organisations appear to be the most comfortable with the administration requirements.

Other issues

- 5.15 There is also a view, held by some providers, that Individual Learning Account holders do not realise that they can access Individual Learning Account funding support on an annual basis.

Service Provided by the Individual Learning Account Centre

Registration

- 5.16 The following views need to be considered in light of the fact that many of the providers registered with the Individual Learning Account Centre in the Autumn of 2000, although some of the issues are clearly ongoing. A significant minority of providers expressed reservations about the support provided by the Individual Learning Account Centre (ILAC) and the information/advice provided – although, as stated previously, many of these providers had not had much contact with the ILAC since the start of the Autumn term.
- 5.17 Concerns expressed by providers mainly related to:
- delay in receiving formal confirmation of registration;
 - delay in some Individual Learning Account applicants receiving their account card and number, leading to delays in starting their course;

- need for clear description of eligible courses (particularly those eligible for the £150 incentive and/or 20% discount);
- confusion over paperwork required to register as a provider and annoyance with duplication required if they had initially registered via the ILAC website;
- some providers felt that individuals could register for an Individual Learning Account but that the ineligibility of the course would only come to light once the provider tried to claim the funding.

Individual Learning Account Centre website

5.18 There appeared to be a higher level of negative comments raised in relation to the website than with regard to any other issue. The issues specifically mentioned can be summarised as:

- slow website operation, with numerous crashes (although some providers reported that this was improving);

“The website could be a lot quicker – it takes too long to key in student details. Getting more information on the number of students enrolled and registered per college would be good”. (Further Education College, England)

- considerable duplication of input required. One provider asked if the site could be programmed to enable the database to automatically enter relevant details on subsequent sheets rather than the provider entering the same information a number of times;
- the provider can only print four of their learners’ names/details off the system at a time, leading to a lengthy period on the website for larger providers.

Claims service

5.19 Very few comments were made about the claims service. The only key issue that was raised was that the remittance advice is unclear and the fact that it appears on more than one page can mean that columns are misaligned when the provider tries to interpret them. Some providers mentioned that the remittance advice does not identify the individuals involved, but others said that they were now receiving emails with this information in them.

Individual Learning Account Centre staff

5.20 Providers have generally been complimentary about the service provided by Individual Learning Account Centre staff and their helpfulness.

6 CONCLUSIONS

Demographics

- 6.1 A wide range of learners is represented amongst Individual Learning Account holders e.g. by employment status, previous learning, social classes and age group. The research indicates, however, that ILAs are proving to be particularly attractive to women with 59% of the sample being female, over half of the redeemers were within the 31-50 age group, 43% were in managerial, professional or associate professional occupations and almost two-fifths of redeemers said that they possessed a qualification equivalent to NVQ level 4 or above.

Promotion

- 6.2 National and local marketing of Individual Learning Accounts has not had any significant impact upon the involvement of DfES target groups;
- 6.3 Most providers are not undertaking any targeted marketing of Individual Learning Accounts and tend to advertise them to those individuals who enquire about training provision.
- 6.4 Promotion may be hindered by some providers' misunderstanding e.g. over course eligibility and, in a small number of cases, over the eligibility of unemployed people. Awareness of target groups appeared low – those providers who did mention them were not undertaking any specific marketing as there were no incentives for them to do so.
- 6.5 This confusion/misunderstanding is heightened by slightly varying course eligibility, individual eligibility and upper funding limits existing within each of the four home countries.
- 6.6 The majority of redeemers indicated that they had not experienced difficulties with understanding the course eligibility criteria, but a slightly higher number of individuals accessing courses not eligible for the 80% discount – and non-redeemers – had experienced problems.
- 6.7 We did not question redeemers about their understanding of the long-term use of their account, but some providers have indicated that some individuals do not understand that they could access Individual Learning Account funding on an annual basis.

Prior learning

- 6.8 It appears that Individual Learning Accounts are attracting some new learners (i.e. people who have not participated in learning over the last twelve months – 22%) and people with no prior knowledge of the subject that they are studying, but without pre-set targets it is difficult to assess whether these percentages are what the government required.
- 6.9 The research has shown that the majority of those accessing Individual Learning Accounts are not new learners, that they possessed some form of qualification prior to taking up an ILA and are those who were already considered further learning/training. This may, in part, result from learning providers being the most significant sources of information on Individual Learning Accounts and not undertaking targeted marketing in most cases.

Individual Learning Account Centre

- 6.10 High levels of satisfaction were evident amongst redeemers and non-redeemers both with the service provided by Individual Learning Account Centre staff and the overall service provided by the Centre.
- 6.11 Providers expressed higher levels of dissatisfaction – these were mainly in relation to:
- website operation: seen to be slow and requiring duplication of input;
 - amount of paperwork;
 - delays in processing individuals' applications and therefore delayed start dates.

Courses supported by Individual Learning Accounts

- 6.12 The vast majority of 80% redeemers are accessing IT courses with only a small number opting for introductory numeracy/Maths courses. A small number of redeemers listed as 80% discount holders on Capita's database are undertaking ineligible courses e.g. feng shui; plumbing; accountancy.
- 6.13 In general, however, ILAs appear to be supporting courses over a range of NVQ levels and via a wide range of delivery methods.

Monitoring and performance management

- 6.14 The Individual Learning Account Centre database does not contain information required to monitor participation of some key target groups e.g. people with no qualifications.
- 6.15 Where the data does exist – e.g. identifying people as non-teaching school staff – the data is incorrect in more than a few cases.

Deadweight

- 6.16 Responses to questions relating to deadweight provided some conflicting evidence, but a conservative estimate would be that just over two-fifths of redeemers would have been able to pay for/would have undertaken their course without Individual Learning Account support.
- 6.17 Deadweight appears to be highest among those not receiving an 80% discount, and social classes AB and C1, although social class AB were also amongst the groups most frequently stating that they would not have undertaken their course without Individual Learning Account support.
- 6.18 Groups who appeared to find Individual Learning Account support the most crucial were those receiving an 80% discount, the unemployed and social class DE.

7 RECOMMENDATIONS

Promotion

- 7.1 National marketing materials should be created, providing clarity on course and individual eligibility. It would be particularly helpful if these were standardised across the four home countries, or at least between the three countries covered by the Individual Learning Account Centre.
- 7.2 DfES should revisit its key target groups and be clear about the rationale behind their selection. Once this has been done, targeted marketing could be undertaken using methods/venues likely to attract the attention of selected groups e.g. for new learners this could include supermarkets or post offices. For non-teaching school staff, it could involve the educational press.
- 7.3 DfES may also wish to consider offering incentives to providers e.g. to attract new learners; to attract males.

Individual Learning Account Centre

- 7.4 Further development of the Individual Learning Account Centre website may be required to ensure that it makes the process of registration/claim checking as simple and speedy as possible for providers.

Monitoring and performance management

- 7.5 If DfES are to continue with key target groups, Individual Learning Account holders should be asked for data to identify if they are members of such groups e.g. size of company employed by; whether a labour market returner.
- 7.6 The Individual Learning Account application form should be revisited to ensure that the questions are as clear and unambiguous as possible. This includes web-based, as well as paper-based, application forms.
- 7.7 Individual Learning Account Centre processes for checking course eligibility should be revisited to identify loopholes that are allowing people to access Individual Learning Account funding for inappropriate courses. Further research should also be undertaken with redeemers who appear to be receiving Individual Learning Account support for ineligible courses, and with providers to identify where they perceive loopholes to exist.

- 7.8 Further clarity is required, particularly with providers, on the need for individuals to contribute £25 of their own funding when accessing the £150 incentive. This will not be as crucial once the 1 million target for Individual Learning Account holders has been met, as the requirement for this personal contribution only applies to this group (i.e. those receiving the £150 incentive).

Additionality/Deadweight

- 7.9 To ensure a higher level of “additionality” and a lower proportion of “deadweight”, DfES would need to impose narrower eligibility criteria for individuals. This may not be a route that the government wishes to pursue if it is keen to encourage lifelong learning amongst the population as a whole.

Evaluation

- 7.10 In the short-term we feel that further research would be valuable in relation to:

- appropriateness of **current target groups** and recommendations for possible changes;
- appropriateness of **courses currently eligible for 80% discounts** and recommendations for possible changes;
- processes currently enabling people attending **ineligible courses** to access Individual Learning Account funding;
- **individual and employer contributions to course costs**, including the impact on courses previously solely funded by the employer;
- recent Individual Learning Account pilots e.g. **Community ILAs; Small Firm ILAs**.

- 7.11 In the longer-term we would recommend that research be undertaken into:

- the effectiveness of any changes implemented to the above systems;
- the number of dormant accounts i.e. those used once but not accessed for funding support in future years.

APPENDIX A
ILA USER/NON REDEEMER QUESTIONNAIRE

Evaluation of ILAs

Final version (26/2/01)

Introduction

Good morning/afternoon/evening. My name is . . . and I'm calling from MORI, the Market & Opinion Research company. We're conducting a survey on people's experiences of applying for, and using, the Individual Learning Account. The research is for the Department for Education and Employment and (READ OUT) . . .

- Scottish Executive (FOR SCOTLAND)
- Welsh Assembly (FOR WALES)

ASK ALL

QCHECK: Can I just check, have you used your Individual Learning Accounts (ILA) to pay for training or guidance (if Scotland)?

1. Yes
2. No

ASK ALL NON-REDEEMERS ONLY (CODE 2 AT QCHECK)

QA. What are your main reasons for not using your ILA? MULTI CODE

Course-related

- Waiting for chosen course to start
- Not decided on course yet
- No courses that interest me **in my area**
- No suitable courses available
- Afraid I might waste my money on the wrong course

Lack of time/pressures

- Work pressures
- Don't have enough time
- Haven't got around to it yet

Childcare/family commitments

- Family/childcare commitments
- Lack of suitable childcare
- Cost of childcare

Other personal reasons

- Lack of confidence
- Fear of exams
- Feel I am too old
- Don't want to go back to college as it is full of young people
- Don't want to learn new things
- No guarantee of a job at the end of the course/training might not pay off
- Too expensive/can't afford it

Lack of information/transport

- Problems with travel arrangements
- Need more advice on how my ILA can be used
- Don't know what is available to me

- Other – please describe
- No reason - nothing preventing me
- Don't know

QB) When, if at all, do you think you will use your ILA? SINGLE CODE

1. Next week
2. Next month
3. 2-3 months
4. 4-6 months
5. 6+ months
6. Will not be using it
7. Don't know

Current Work Status

ASK ALL (IE. BOTH REDEEMERS & NON-REDEEMERS)

1) Which of the following best describes your main current activity?

SINGLE CODE. READ OUT

1. In full-time employment (30+ hours per week);
2. In part-time employment (less than 30 hours per week);
3. Self-employed;
4. In full-time education/training;
5. In part-time education/training;
6. Unemployed and looking for work
7. Unemployed and **not** looking for work;
8. Returning to work after caring for family;
9. Returning to work after a break (non-family reasons);
10. On a government training programme;
11. Retired
12. Other – please describe;

ASK IF UNEMPLOYED AT Q1 (CODES 6-7). OTHERS GO TO Q2b

2a) Approximately how long have you been unemployed? SINGLE CODE

1. Less than 1 month
2. 1-<3 months;
3. 3-<6 months;
4. 6 months – <1 year;
5. More than a year.

ASK IF EMPLOYED/SELF-EMPLOYED AT Q1 (CODES 1-3). OTHERS GO TO Q6a

2b) What is your current occupation? SINGLE CODE

INTERVIEWER: OBTAIN JOB TITLE AND PROBE FOR TYPE OF JOB – MANAGERIAL, PROFESSIONAL, TECHNICAL, CLERICAL, SKILLED, SEMI-SKILLED, UNSKILLED ETC. CODE RESPONSE TO **ONE** OF THE FOLLOWING CATEGORIES. IF UNSURE, CODE “9” AND WRITE IN DESCRIPTION

IF MORE THAN ONE JOB ASK RESPONDENT TO CONSIDER INDUSTRY OF MAIN JOB. IF RESPONDENT CANNOT DECIDE THEN MAIN JOB IS JOB WITH MOST HOURS.

| | |
|--|---|
| Manager, or senior official (eg production manager, office manager, senior officer in the Police/Fire Services) | 1 |
| Professional (e.g. engineer, management consultant, software professional) | 2 |
| Associated professional and technical (e.g. nurse, journalist, police officer, sales rep) | 3 |
| Administrative and secretarial (e.g. accounts clerk, credit controller) | 4 |
| Skilled trades (e.g. bricklayer, plumber, chef) | 5 |
| Retail and customer service (e.g. sales assistant, call centre operator) | 6 |
| Process, plant or machine operator (e.g. assembly line worker, bus/lorry driver, scaffolder) | 7 |
| Elementary occupations (e.g. labourer, catering assistant, bar staff, cleaner, security guard) | 8 |
| Other – please describe | 9 |

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ASK IF EMPLOYED/SELF-EMPLOYED AT Q1 (CODES 1-3)

3) What type of industry/business do you currently work in? AGAIN IF MORE THAN ONE JOB ASK RESPONDENT TO CONSIDER INDUSTRY OF MAIN JOB. IF RESPONDENT CANNOT DECIDE THEN MAIN JOB IS JOB WITH MOST HOURS.

SINGLE CODE ONLY

1. Agriculture and Forestry
2. Fishing
3. Mining and quarrying
4. Manufacturing
5. Electricity, gas and water supply
6. Construction
7. Wholesale and Retail
8. Motor repairs
9. Hotels and restaurants
10. Transport and communication
11. Banking, finance and insurance
12. Real estate, renting and other business services
13. Public administration and defence
14. Education: **Schools**
15. Education: **Colleges**
16. Education: **Other**
17. Health and social work
18. Other – please write in

ASK IF EDUCATION: SCHOOLS AT Q3 (CODE 14). OTHERS GO TO Q5

4) You say that you work in a school. Are you a teacher?

1. Yes
2. No

ASK IF EMPLOYED/SELF-EMPLOYED AT Q1 (CODES 1-3)

5) Including yourself, approximately how many people are employed by your organisation? WRITE IN EXACT NUMBER. IF UNSURE, PROBE FOR BEST ESTIMATE AND CODE ONE OF THE FOLLOWING:

1. Sole trader
2. 1 to 49
3. 50-99
4. 100-149
5. 150-199
6. 200-249
7. 250-499
8. 500+
9. Don't know

Past Involvement in Learning

ASK ALL

6a) Which of the following types of learning have you done at any time in your life? Please include any learning that you are currently undertaking. MULTI CODE. READ OUT

ASK IF CODES (1-13) AT Q6a

6b) And which have you undertaken during the past 12 months? Please include any learning that you are currently undertaking. MULTI CODE. READ OUT ALL MENTIONS AT Q6b

| | 6A | 6B |
|---|----|----|
| 1. school up to age 16 | | |
| 2. school up to age 18 | | |
| 3. University/degree course | | |
| 4. further education/college course | | |
| 5. specialist college course (eg music, drama) | | |
| 6. taught courses, such as evening classes, leading to a qualification | | |
| 7. taught courses, such as evening classes, not leading to a qualification | | |
| 8. work-related training provided by an employer | | |
| 9. work-related training that you paid for | | |
| 10. self-taught courses (eg tapes, CD-Rom, books) | | |
| 11. distance learning (eg Open University courses) | | |
| 12. government supported programmes (eg New Deal; Modern Apprenticeship) | | |
| 13. other – please describe | | |
| 14. none of these | | |

ASK ALL

7a) Do you have any qualifications from school, college or university, or connected with work, or from government schemes? SINGLE CODE

1. Yes
2. No
3. Don't know

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ASK IF YES AT Q7a (CODE 1). OTHERS GO TO Q7C

7b) What is the highest level of qualification you have? SINGLE CODE.
READ OUT HIGHEST (1) TO LOWEST (26)

(PROBE AS NECESSARY eg, where number or level of qualification affects coding)

ASK ALL REDEEMERS ONLY (CODE 1 AT QCHECK)

7c) What, if any, qualification(s) are you working towards using your ILA? MULTI CODE.

| | | |
|--|-----------|-----------|
| 1. Higher degree (eg Masters or Doctorate) NVQ or SVQ level 5 | 7b | 7c |
| 2. First (Bachelors) degree NVQ or SVQ level 4 | | |
| 3. Other degree level qualification including graduate membership of a professional institute or PGCE | | |
| 4. Diploma in higher education | | |
| 5. Teaching qualification (excluding PGCE) | | |
| 6. Nursing or other medical qualification | | |
| 7. Other higher education qualifications below degree level | | |
| 8. 2 or more A levels Advanced GNVQ/GSVQ 3 or more SCE Highers 4 or more AS levels NVQ or SVQ level 3 | | |
| 9. One A level 1 or 2 Scottish Highers 2 or 3 AS-levels Intermediate GNVQ/GSVQ NVQ or SVQ level 2 | | |
| 10. 5 or more GCSE grades A* to C 5 or more O-levels 5 or more CSEs at grade1 5 or more SCE Standard/Ordinary grades 1-3 | | |
| 11. One AS level Fewer than 5 GCSE grades A* to C Fewer than 5 O-levels Fewer than 5 CSEs at grade 1 Fewer than 5 SCE Standard/Ordinary grades 1-3 | | |

Final Questionnaire (Redeemer & Non-redeemer)

| | | |
|--|--|--|
| | | |
| 12. Certificate of Sixth Year Studies (CSYS) Scottish Certificate of Sixth Year Studies | | |
| 13. HNC/HND Higher level of BTEC/BEC/TEC Higher level of SCOTEC/SCOTVEC/SCOTBEC | | |
| 14. BTEC/BEC/TEC National Certificate SCOTBEC/SCOTEC/SCOTVEC National Certificate ONC/OND | | |
| 15. BTEC/BEC/TEC First Diploma or General Diploma SCOTBEC/SCOTEC/SCOTVEC First Diploma or General Diploma | | |
| 16. BTEC/BEC/TEC First or General Certificate SCOTBEC/SCOTEC/SCOTVEC First or General Certificate, or modules towards a National Certificate | | |
| 17. City and Guilds Advanced Craft | | |
| 18. City and Guilds Craft | | |
| 19. Other City and Guilds Qualifications | | |
| 20. RSA Higher Diploma | | |
| 21. RSA Advanced Diploma or Advanced Certificate | | |
| 22. RSA Diploma | | |
| 23. Other RSA qualifications (including Stage I, II and III) | | |
| 24. Recognised Trade Apprenticeship (completed) | | |
| 25. YT Certificate | | |
| 26. Any other professional/vocational qualification/foreign qualifications | | |
| 27. Don't know | | |

ILA Application Process/Advice & Guidance

ASK ALL

8) How did you first hear about Individual Learning Accounts? SINGLE CODE.

1. LearnDirect/University for Industry - Ufi
2. Individual Learning Account Centre (England, Scotland and Northern Ireland)
3. TEC (Training & Enterprise Councils)/Local Enterprise Council (LEC)
4. employer;
5. learning provider;
6. advice/guidance service;
7. trade union;
8. newspaper/radio advert;
9. TV/teletext
10. leaflet;
11. Internet;
12. friends/family;
13. work colleagues;
14. someone already taking the course;
15. other - please give details.

9) How easy or difficult did you find it to understand which courses were eligible for Individual Learning Account funding? SINGLE CODE. READ OUT

1. Very easy
2. Fairly easy
3. Neither easy nor difficult
4. Fairly difficult
5. Very difficult
6. Can't remember

ASK IF DIFFICULT AT Q9 (CODES 4-5). OTHERS GO TO Q11

10) What caused you the most difficulty? PROBE FULLY. WRITE IN

ASK ALL

11) Did you need any advice to understand how Individual Learning Accounts (ILAs) could be used?

1. Yes
2. No

ASK IF YES AT Q11. OTHERS GO TO Q13

12) Who, if anyone, provided you with this advice? MULTI CODE

1. LearnDirect/University for Industry - Ufi
2. Individual Learning Account Centre helpline (England, Scotland and Northern Ireland)
3. TEC (Training & Enterprise Councils)/Local Enterprise Council (LEC)

Final Questionnaire (Redeemer & Non-redeemer)

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4. learning provider;
5. advice/guidance service;
6. trade union;
7. newspaper/radio advert;
8. leaflet;
9. Internet;
10. friends/family;
11. work colleagues;
12. someone already taking the course/who has already taken out an ILA;
13. other - please give details;
14. No one
15. Can't remember

ASK ALL REDEEMERS ONLY

13) How easy or difficult did you find it to use your Individual Learning Account (ILA) to help pay for a course? SINGLECODE. READ OUT

1. Very easy
2. Fairly easy
3. Neither easy nor difficult
4. Fairly difficult
5. Very difficult

ASK ALL (BOTH REDEEMERS & NON-REDEEMERS)

14) How did you get your ILA application form? SINGLE CODE

**CHRIS – (CODES 1-2) SHOULD ONLY APPEAR FOR ENGLAND, SCOTLAND AND NORTHERN IRELAND
(CODE 3) SHOULD ONLY APPEAR FOR WALES**

1. By ringing the Individual Learning Account Centre
2. By filling in a form on the Individual Learning Account Centre website
3. Local Training & Enterprise Council (TEC)
4. From my learning provider
5. From training section/HR at work
6. From work colleague
7. Other – please describe
8. Can't remember

ASK IF (CODE 1 or 2) AT Q14 AND IS IN ENGLAND, SCOTLAND OR NORTHERN IRELAND. OTHERS GO TO Q16

15) Approximately how long did it take for the form to arrive? SINGLECODE. IF UNSURE, ASK FOR BEST ESTIMATE

1. Less than a week;
2. 1-<2 weeks;
3. 2-<3 weeks;
4. 3 weeks or more;
5. Can't remember

ASK ALL (BOTH REDEEMERS & NON-REDEEMERS IN ALL 4 COUNTRIES)

16) How easy or difficult did you find it to complete the ILA application form? SINGLE CODE. READ OUT

1. Very easy
2. Fairly easy
3. Neither easy nor difficult
4. Fairly difficult
5. Very difficult

ASK ALL REDEEMERS IN ENGLAND, SCOTLAND AND NORTHERN IRELAND ONLY. WALES GO TO Q25

17) Approximately how long did it take for your ILA account card to arrive once you'd returned your application form? SINGLE CODE. IF UNSURE, ASK FOR BEST ESTIMATE

1. Less than a week;
2. 1-<2 weeks;
3. 2-<3 weeks;
4. 3 weeks or more
5. Can't remember

ASK IF **NOT** (CODED 1) AT Q14 AND IS A REDEEMER IN ENGLAND, SCOTLAND AND NORTHERN IRELAND ONLY. OTHERS GO TO Q18b

18a) Have you ever telephoned the Individual Learning Account Centre helpline for advice or information, or to find out about your ILA application? SINGLE CODE

1. Yes
2. No
3. Can't remember

ASK IF CODE 1 AT Q14 OR CODE 1 AT Q18A

18b) When did you last call the ILA Centre? PROMPT IF NECESSARY

1. In the past week
2. In the past month
3. 1-2 months ago
4. 2-3 months ago
5. 3-5 months ago
6. Can't remember

18c) On the occasion(s) that you have called the ILAC, did you speak to a member of staff or did you hear a recorded message? SINGLECODE ONLY

1. Spoke to someone
2. Heard recorded message
3. Both
4. Can't remember

ASK Q18d-Q23 IF SPOKE TO SOMEONE AT THE ILAC (CODE 1 or 3) AT Q18c. OTHERS GO TO Q24

I would now like to ask you some questions about the service provided to you by ILAC (Individual Learning Account Centre) staff who process your ILA application and ILA funding.

18d) How would you rate their helpfulness? Would you say they were? (READ OUT). SINGLE CODE

1. Very helpful
2. Fairly helpful
3. Neither helpful nor unhelpful
4. Fairly unhelpful
5. Very unhelpful
6. Don't know/can't remember
7. Can't comment – only spoke to them briefly

19) How would you rate their knowledge of ILAs and the amount of information that they gave you? SINGLECODE. READ OUT

1. Very good
2. Fairly good
3. Neither good nor poor
4. Fairly poor
5. Very poor
6. Don't know/can't remember
7. Can't comment – only spoke to them briefly

20) When you called the Individual Learning Account Centre, did you feel that the pace of their conversations with you was . . ? (READ OUT) SINGLECODE

1. Too fast
2. Just right
3. Too slow
4. Don't know/can't remember
5. Can't comment – only spoke to them briefly

21) Did you feel that the ILAC staff listened to what you had to say? SINGLE CODE

1. Yes
2. No
3. Not sure
4. Don't know/can't remember
5. Can't comment – only spoke to them briefly

22) Which of the following statements best fits your impression of the ILAC staff overall? SINGLE CODE. READ OUT

1. Polite and friendly
2. Impolite and unfriendly
3. Neither
4. Don't know/can't remember
5. Can't comment – only spoke to them briefly

23) Every caller, once they have opened their account, is asked to provide proof of identity by answering a set of screening questions when they call the Individual Learning Account Centre, for security reasons. How would you rate the security measures used when you contact the ILAC for information on your ILA account? SINGLE CODE.
READ OUT

1. Very good
2. Fairly good
3. Neither good nor poor
4. Fairly poor
5. Very poor
6. Don't know/can't comment – only spoke to them once/briefly

ASK ALL IN ENGLAND, SCOTLAND & NORTHERN IRELAND

24) What is your overall impression of the service provided by the ILAC centre? Would you say it is . . . ? (READ OUT). SINGLE CODE

1. Very good
2. Fairly good
3. Neither good nor poor
4. Fairly poor
5. Very poor
6. Don't know/can't remember
7. Can't comment – only spoke to them briefly

ASK ALL REDEEMERS ONLY (IN ALL 4 COUNTRIES)

25) Which of the following amounts/course discounts is your current/most recent ILA providing? SINGLECODE

1. 20% discount
2. 80% discount (*not Wales before January 2001*)
3. £150 contribution
4. £150 contribution and 20% discount (*not Wales before January 2001*)
5. £150 contribution and 80% discount (*not Wales before January 2001*)
6. Other, please specify
7. Don't know

ASK IF 80% DISCOUNT AT Q25 (CODES 2 OR 5). OTHERS GO TO Q27

26) Which of the following types of course are you undertaking with the 80% ILA discount? SINGLE CODE. READ OUT

1. Introductory Numeracy/Maths (England and Scotland)
2. Introductory Information Technology/ICT (England, Scotland and Northern Ireland)
3. Introductory Communication/English (Scotland only)
4. Don't know

(briefing notes will need to state that these are freestanding courses – courses which have maths/IT/communication as part of the course are not eligible for 80% discount)

ASK ALL REDEEMERS ONLY (IN ALL 4 COUNTRIES)

27) Which type of learning are you undertaking on your current ILA discounted course? PROMPT FROM LIST IF NECESSARY. MULTI CODE

1. further education
2. part-time Higher Education (Scotland and NI only)
3. block study/short course;
4. ICT learning centre course;
5. distance learning;
6. Open Learning package;
7. delivered at the workplace;
8. correspondence course;
9. Other – please describe

28) How many ILA discounted courses have you undertaken?

1. None
2. One
3. Two
4. Three
5. Four or more
6. Can't remember/Don't know

29) How long have you been on your current ILA discounted course?

SINGLE CODE. IF UNSURE, ASK FOR BEST ESTIMATE

1. Course not yet started
2. 1-2 weeks
3. >2-4 weeks
4. >1-3 months
5. More than 3 months
6. Completed
7. Don't know

ASK IF CODE (2-6) at Q29. OTHERS GO TO Q31

30) Which of the following statements best describes your views on the ILA supported learning you are undertaking? SINGLE CODE. READ OUT

1. The course has exceeded my expectations
2. The course has met my expectations
3. It has not been as useful as I had hoped
4. I wish that I hadn't taken this course
5. Don't know

ASK ALL REDEEMERS ONLY (IN ALL 4 COUNTRIES)

31) What previous knowledge/skills, if any, did you have in the main subjects you are studying now/planning to start through your ILA discounted course? Would you say that you had . . . ? READ OUT. SINGLE CODE

1. **A lot** of prior knowledge/skills in that area;
2. **Some** prior knowledge/skills in that area;
3. **A little** prior knowledge/skills in that area;
4. **None at all**

Funding

ASK ALL REDEEMERS ONLY (IN ALL 4 COUNTRIES). NON-REDEEMERS GO TO Q35a
32) What is the total cost of the learning (*Scotland* - or guidance) that you are undertaking with support from your ILA? RECORD EXACT AMOUNT & CODE. IF UNSURE, ASK FOR BEST ESTIMATE BY READING OUT CATEGORIES BELOW.

1. less than £49;
2. £50-99;
3. £100-199;
4. £200-499
5. £500 or more;
6. don't know/can't remember

33) How much have you personally paid towards it? RECORD EXACT AMOUNT & CODE. IF UNSURE, ASK FOR BEST ESTIMATE BY READING OUT CATEGORIES BELOW.

1. nothing
2. less than £25
3. £25-49;
4. £50-99;
5. £100-149;
6. £150-249;
7. £250-499;
8. £500 or more;
9. don't know/can't remember

ASK ALL REDEEMERS (IN ALL 4 COUNTRIES) WHO ARE EMPLOYED (CODE 1-2) AT Q1. OTHERS GO TO Q35a

34) How much has your employer paid towards it? SINGLE CODE. IF UNSURE ASK FOR BEST ESTIMATE

1. nothing;
2. £1-24;
3. £25-49;
4. £50-99;
5. £100-149;
6. £150-249;
7. £250-499;
8. £500 or more;
9. don't know/can't remember

Attitudes and Motivation

ASK ALL REDEEMERS & NON-REDEEMERS IN ALL 4 COUNTRIES

35a) What were your reasons for applying for the course supported by your current/most recent ILA? PROBE FULLY. MULTI CODE

ASK IF MORE THAN ONE MENTION AT Q35a

35b) Which was your MAIN reason? SINGLE CODE

| | 38a | 38b |
|---|-----|-----|
| Work related | | |
| • to get a new job/better job; | | |
| • to succeed at work; | | |
| • to earn more money; | | |
| ▪ to increase the range of jobs open to me; | | |
| Skills & qualifications | | |
| • to get qualifications; | | |
| • to develop skills; | | |
| ▪ do taster course before committing to whole course | | |
| Personal development | | |
| • to increase my self-confidence; | | |
| • for personal development/growth; | | |
| Others | | |
| • because I enjoy learning; | | |
| • to fill in my spare time/as a hobby; | | |
| • to keep up with children/help children with school work | | |
| • for relaxation; | | |
| • to make up for the past; | | |
| • to make new friends/meet people; | | |
| • to help achieve an ambition; | | |
| • other; | | |
| • don't know. | | |

ASK ALL REDEEMERS ONLY (IN ALL 4 COUNTRIES)

36) How strongly do you agree or disagree with the following statements. READ OUT A-D. ROTATE ORDER. SINGLECODE EACH

- A. Without the ILA I would not have been able to pay for my course;
- B. I would have chosen to take the course even without ILA funding
- C. The ILA helped to fund a course that I was already undertaking/planning to take
- D. The ILA has increased the training/learning options open to me;

| Q | S. Agree | F. Agree | Neither | F. Disagree | S. Disagree | Don't know |
|---|----------|----------|---------|-------------|-------------|------------|
| A | | | | | | |
| B | | | | | | |
| C | | | | | | |
| D | | | | | | |

Demographics

ASK ALL (BOTH REDEEMERS & NON-REDEEMERS)

Finally, I would like to ask you a few questions about yourself.

37) (Tick box to show gender)

- 1. Female
- 2. Male

38) Can you tell me your age? WRITE IN EXACT AGE AND CODE THE FOLLOWING

- 1. 18-20;
- 2. 21-30;
- 3. 31-40;
- 4. 41-50;
- 5. 51-60;
- 6. 60+
- 7. Refused

39) To which of the following ethnic groups do you consider you belong? READ OUT. SINGLE CODE

White:

- British
- Irish
- Irish Travellers” (Northern Ireland only)
- Any other white background (WRITE IN)

Mixed:

- White and Black Caribbean
- White and Black African
- White and Asian
- Any other mixed background (WRITE IN”)

Asian or Asian British:

- Indian
- Pakistani
- Bangladeshi
- Any other Asian background (WRITE IN)

Black or Black British:

- Caribbean
- African
- Any other Black background (WRITE IN)

Chinese or Other Ethnic Group:

- Chinese
- Any other background (WRITE IN)

- Refused

ASK NORTHERN IRELAND ONLY. OTHERS GO TO Q41

40) What is your religious/community background? SINGLECODE

1. Protestant
2. Catholic
3. Neither Protestant nor Catholic
4. Refused

ASK ALL

41) Do you have any health problems or disabilities which you expect will last for more than a year? (these may be continuous or have affected you from time to time)

1. Yes
2. No
3. Refused

ASK IF YES AT Q41(CODE 1). OTHERS GO TO Q43

42) Does this (do these) health problem(s) or disability(ies) substantially limit your ability to carry out normal day-to-day activities?

1. Yes
2. No

ASK ALL

Social Class

43) Please can you tell me the occupation of the Main Wage Earner in your household? WRITE IN

44) What is their position/rank/grade at work? WRITE IN

45) What industry do they work in? WRITE IN

46) Do they have any qualifications that are relevant to their job? WRITE IN

47) IF RETIRED, do they receive a private job-related pension? WRITE IN

1. Yes
2. No

CODE RESPONDENT

1. AB
2. C1
3. C2
4. DE

The government may be conducting some research later in the year to explore the issues we have discussed in more detail.

Would you be willing for your contact details and your responses to be passed to another organisation so that they could ask you some further questions?

- Yes – Check name
- No – THANK & CLOSE

APPENDIX B
PROVIDER QUESTIONNAIRE

ILA QUESTIONNAIRE: Providers (England and Northern Ireland)

Good morning/afternoon. My name is from YCL. We are undertaking a survey on behalf of DfEE/Department of Higher & Further Education, Training and Employment in Northern Ireland (select as appropriate) to seek providers' views on the Individual Learning Account system. Feedback gained through this survey will help with the future development of the ILA service. Your contribution will be anonymous as responses will be combined for analysis purposes.

STUDENTS

1. How many learners do you currently have on your courses? (*all types of learner – not just ILA holders*)

2. Approximately what percentage of them are ILA account holders?

3. Do you know what percentage of these ILA account holders are receiving the following incentives:

| <i>ILA support</i> | <i>Enter % below</i> |
|--------------------|----------------------|
| £150 contribution? | |
| 20% discount? | |
| 80% discount? | |

IMPACT OF ILAs

4. a) Which, if any, of your courses are eligible for an 80% ILA discount?

| BASIC SKILLS COURSES | Eligible for 80% discount? (Y/N) | Courses <u>not</u> eligible for any ILA discount |
|---|----------------------------------|--|
| Introductory maths/numeracy (<i>England only</i>) | | |
| Introductory IT | | |

b) Do you have any courses which are ineligible for any ILA discount (i.e. 80% discount; 20% discount; £150 contribution?). If yes, list below:

| COURSE AREAS INELIGIBLE FOR ANY ILA DISCOUNT | |
|--|--|
| | |
| | |
| | |
| | |
| | |

5. Have you increased or decreased the number of courses you offer because of ILAs?

| Response | Tick as appropriate |
|-----------------|----------------------------|
| Yes | |
| No | |

(If yes, go to Q.6 – if no proceed to Q.7)

6. Which course areas have been most affected and in what ways?

| Course area | Tick if <u>increase</u> in number of courses | Tick if <u>decrease</u> in number of courses |
|--------------------|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

7. How would you rate the impact of ILAs upon the **CONTENT** of your courses (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)?

(If rated 4-5, go to Q. 8 – if rated 1-3, proceed to Q. 9)

8. Which course areas have had their **CONTENT** affected and in what ways?

| Course area | How course content has been affected |
|--------------------|---|
| | |
| | |
| | |
| | |
| | |

9. How would you rate the impact of ILAs upon the **NUMBER OF STUDENTS** on your courses (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)?

(If rated 4-5, go to Q. 10 – if rated 1-3, proceed to Q. 11)

10. Which course areas have seen the greatest increase or decrease in STUDENT NUMBERS? By what approximate percentage?

| Course Area | % increase? | % decrease? |
|--------------------|--------------------|--------------------|
| | | |
| | | |
| | | |
| | | |
| | | |

11. How would you rate the impact of ILAs upon the TYPE OF STUDENTS (give examples if necessary e.g. unemployed; women returners; employees) **enrolling onto your courses** (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)?

(If rated 4-5, go to Q. 12 – if rated 1-3, proceed to Q. 13)

12. Which course areas have seen the greatest changes in STUDENT TYPE and in what ways?

| Course area | Changes in type of student enrolling? |
|--------------------|--|
| | |
| | |
| | |
| | |
| | |

13. How would you rate the impact of ILAs upon your ADMINISTRATION? (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)

(If rated 4-5, go to Q. 14 – if rated 1-3, proceed to Q.15)

14. What have the key impacts been upon your ADMINISTRATION?

ILA PROCESS

The following questions relate to your experience of the service provided by the Individual Learning Account Centre.

15. Which of the following methods have you used to communicate with the ILAC?

| Methods | <i>Tick if appropriate</i> |
|--------------------------------|-----------------------------------|
| Telephone | |
| Internet | |
| By post | |
| Other - describe below: | |

(If used the Internet, go to Q. 16 – if not, proceed to Q. 17)

16. How “user-friendly” have you found the provider section of the ILAC website? (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)

(If rated 1-2, go to Q. 17 – if rated 3-5, proceed to Q. 18)

17. How could the ILAC website be improved?

18. How would you rate the service provided by the ILAC when you registered as a provider of courses eligible for ILA discounts? (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)

(If rated 1-2, go to Q. 19 – if rated 3-5, proceed to Q. 20)

19. How could this registration service be improved?

20. How would you rate the service the ILAC provides for claiming ILA funding? (using a scale of 1-5 with 1 = “very low” and 5 = “very high”)

(If rated 1-2, go to Q. 21 – if rated 3-5, proceed to Q. 22)

21. How could this claims service be improved?

22. Have you contacted the ILAC for advice about a particular issue on more than one occasion?

| Response | Tick as appropriate |
|-----------------|----------------------------|
| Yes | |
| No | |

(If yes, go to Q.23 – if no, proceed to Q.24)

23. How consistent was the advice that you were given (using a scale of 1-5 with 1 = “not consistent at all” and 5 = “very consistent”)

MARKETING

24. Have you marketed ILAs in any way?

| Response | Tick as appropriate |
|-----------------|----------------------------|
| Yes | |
| No | |

(If yes, go to Q25 – if no, proceed to Q.26)

25. What marketing methods have you used and with which groups of people?

| Marketing methods used? <i>E.g. leaflets; posters; letters; presentations; other</i> | Aimed at which group(s) of people? |
|--|---|
| | |
| | |
| | |
| | |
| | |

26. Why have you chosen not to market ILAs?

COURSE COSTS

27. Have any employers contributed towards their employee’s course costs?

| Response | Tick as appropriate |
|-------------------|----------------------------|
| Yes | |
| No | |
| Don’t know | |

(If yes, go to Q.28 – if no, proceed to Q. 31)

28. Are there any courses that employers appear more likely to contribute towards? If yes, please give details:

| |
|--|
| |
|--|

29. Is there any evidence that employers are trying to pay for courses that individuals would normally pay for themselves?

| <i>Response</i> | <i>Tick as appropriate</i> |
|-----------------|----------------------------|
| Yes | |
| No | |
| Don't know | |

30. If yes, what courses are affected in this way?

| |
|--|
| |
|--|

31. How would you rate the impact of ILAs upon the FEES you charge (using a scale of 1-5 with 1 = "very low" and 5 = "very high")?

| |
|--|
| |
|--|

(If rated 4-5, go to Q. 32 – if rated 1-3, thank provider for their help)

32. Which course areas have you increased/decreased your FEES for and by what percentage? (circle % as appropriate for each course area)

| <i>Course Area</i> | <i>Increase (I) or decrease (D)?</i> | <i>By what % have they changed?</i> | | | |
|--------------------|--------------------------------------|-------------------------------------|---|-----------|---|
| | | Up to 10% | 1 | 51-75% | 4 |
| | | 11-25% | 2 | 76-100% | 5 |
| | | 26-50% | 3 | over 100% | 6 |
| | | Up to 10% | 1 | 51-75% | 4 |
| | | 11-25% | 2 | 76-100% | 5 |
| | | 26-50% | 3 | over 100% | 6 |
| | | Up to 10% | 1 | 51-75% | 4 |
| | | 11-25% | 2 | 76-100% | 5 |
| | | 26-50% | 3 | over 100% | 6 |
| | | Up to 10% | 1 | 51-75% | 4 |
| | | 11-25% | 2 | 76-100% | 5 |
| | | 26-50% | 3 | over 100% | 6 |

33. Have ILAs affected “fee remittal” courses that you provide? (*Briefing not: courses can be free of charge to some clients and we need to check if ILAs have affected this in any way*).

| <i>Response</i> | <i>Tick as appropriate</i> |
|-----------------|----------------------------|
| Yes | |
| No | |
| Don't know | |

34) If yes, which courses have been affected and in what way?

| Course area | How fees have been affected |
|-------------|-----------------------------|
| | |
| | |
| | |
| | |
| | |

Thank you for participating in this survey.

DfEE/Department of Higher & Further Education, Training and Employment in Northern Ireland (select as appropriate) may be conducting some research later in the year to explore the issues we have discussed in more detail.

Would you be willing for your contact details and your responses to be passed to another organisation so that they could ask you some further questions?

| <i>Response</i> | <i>Tick as appropriate</i> |
|-----------------|----------------------------|
| Yes | |
| No | |

APPENDIX C

SOCIAL CLASS DEFINITIONS

Social Class Definitions

- A** Professionals such as doctors, surgeons, solicitors or dentists; chartered people like architects; fully qualified people with a large degree of responsibility such as senior editors, senior civil servants, town clerks, senior business executives and managers, and high ranking grades of the Services.
- B** People with very responsible jobs such as university lecturers, hospital matrons, heads of local government departments, middle management in business, qualified scientists, bank managers, police inspectors, and upper grades of the Services.
- C1** All others doing non-manual jobs; nurses, technicians, pharmacists, salesmen, publicans, people in clerical positions, police sergeants/ constables, and middle ranks of the Services.
- C2** Skilled manual workers/craftsmen who have served apprenticeships; foremen, manual workers with special qualifications such as long distance lorry drivers, security officers, and lower grades of Services.
- D** Semi-skilled and unskilled manual workers, including labourers and mates of occupations in the C2 grade and people serving apprenticeships; machine minders, farm labourers, bus and railway conductors, laboratory assistants, postmen, door-to-door and van salesmen.
- E** Those on lowest levels of subsistence including pensioners, casual workers, and others with minimum levels of income.

APPENDIX D
OPT-OUT LETTERS

Name
Address

Date

Dear

Survey of Individual Learning Account Holders

As an Individual Learning Account holder you will know that Individual Learning Accounts (ILAs) were created to encourage people to learn and to go on developing their skills after completing their formal education. In September 2000, an Individual Learning Account Centre became operational in England, Scotland and Northern Ireland to help people to access this support.

We are keen to gain early feedback from ILA account holders to ensure that the processes, support and documentation currently in place are as user-friendly as possible. We are therefore writing to inform you that we have asked MORI to undertake a telephone survey with a sample of Individual Learning Account holders, and they may make contact with you during the coming weeks. Your contribution will be anonymous as all responses will be combined for analysis and no individual responses or details will be published. Feedback gained through this survey will be used to help in the future development of the ILA service.

If you do not wish to be contacted as part of this survey, please tick the box below and return this letter to me (using the enclosed pre-paid envelope?) within 5 days of the date shown on the letter.

If you have any particular queries regarding this survey, please contact -----
at -----

I hope that you feel able to participate in this survey and that you have found your Individual Learning Account to be of help with your learning.

Yours sincerely

Please do not contact me as part of this ILA survey



Name
Address

Date

Dear

Individual Learning Accounts: Learning Provider Survey

As Individual Learning Accounts can be used towards elements of your provision, you will know that Individual Learning Accounts (ILAs) were created to encourage people to learn and to go on developing their skills after completing their formal education. In September 2000, an Individual Learning Account Centre became operational in England, Scotland and Northern Ireland to help people seeking learning - and organisations providing learning - to access this support.

We are seeking feedback from learning providers to ensure that the processes, support and documentation currently in place are as user-friendly as possible. We are also undertaking a similar survey with a sample of ILA account holders. As part of this process we have asked York Consulting Ltd to undertake a telephone survey with a sample of providers, and they may therefore be making contact with you during the coming weeks.

Your contribution to this survey will be anonymous as all responses will be combined for analysis and no individual responses or details will be published. Feedback gained through this survey will be used to assist us with the future development of the ILA service.

If you do not wish to be contacted as part of this survey, please call Matthew Lawless at York Consulting Ltd (0113 222 3534) within 5 days of the date shown on this letter.

Yours sincerely

Yvonne Smith

APPENDIX E

METHODOLOGY

METHODOLOGY

This report is based upon a telephone survey of Individual Learning Account users, non-redeemers and providers carried out between 26th February and 4th May 2001.

The telephone survey was conducted by York Consulting Ltd and MORI Social Research Institute on behalf of the Department for Education and Skills (DfES).

Individual Learning Account users and non-redeemers

Survey design

MORI conducted 1,152 interviews with people who had applied for an Individual Learning Account in England between 1st September 2000 and 31st January 2001. The interviews were conducted by MORI Telephone Surveys (MTS) between 5th March and 3rd April 2001 using CATI (Computer Assisted Telephone Interviewing).

The questionnaire used to programme the CATI system is shown at **Appendix A**.

The sample was provided by Capita and was comprised of two groups of Individual Learning Account holders:

- those who had used their Individual Learning Account for learning – we called these individuals “redeemers”;
- those who had successfully applied for an Individual Learning Account but had not used it by the time the sample was drawn – we called these people “non-redeemers”.

Those listed as receiving an 80% course discount were prioritised for interviews as an early report was required on this group. Following this, we prioritised non-redeemer calls to take account of possible changes in their status – for example, a number of non-redeemers had used their Individual Learning Account at the time of interview.

Opt-out

Prior to the main fieldwork, a personalised letter was sent to all those included in the sample giving them the opportunity to opt out of the survey by contacting MORI. Copies of these letters are provided at **Appendix D**.

Sample design

The aim was to achieve 1,000 interviews with redeemers and 125 interviews with non-redeemers. These sample sizes meant that findings from redeemers were robust in terms of sample size but there were too few non-redeemers to provide robust findings for each country. Taken as a whole though, the non-redeemers provided an indication of any key issues and obstacles leading to non-use of Individual Learning Accounts, as large numbers of accounts had not yet been used at the time of this study.

Table A below shows the target number of interviews along with the achieved interviews according to:

- information held on Capita's database and;
- interview responses.

As can be seen, there is some discrepancy between Capita's classification and the responses given by interviewees. In the computer tables used for analysis purposes we have used respondents' answers as opposed to information held on the database.

These discrepancies were particularly evident when contacting individuals who were listed on Capita's database as receiving an 80% discount and people who were deemed as falling within one of the key target groups e.g. labour market returners. As data contained within Capita's database is largely based upon completed ILA application forms, it appears that a significant proportion of people applying for an ILA entered the wrong data.

A random sample of redeemers was drawn after stratification by discount/contribution type (80% discounts, other discounts/contribution) and within discount/contribution type by gender and age. Similarly, a random sample of non-redeemers was drawn after stratification by gender and age.

| Table A: Target versus Achieved Number of Interviews | | |
|---|---------------|-----------------|
| | Target | Achieved |
| 80% discount | 370 | 277 |
| £150 only | 630 | 744 |
| Total redeemers | 1,000 | 1,021 |
| Total non-redeemers | 125 | 131 |

Target = based upon Capita database information;
Achieved = based upon interview responses.

Questionnaire design

There is one version of the questionnaire, with appropriate filters for redeemers and non-redeemers. The questionnaire was designed by York Consulting Ltd and MORI in consultation with DfEE and, through them, the other three countries. The questionnaire is shown at **Appendix A**.

The questionnaire was piloted with 40 redeemers and non-redeemers between 12th and 14th February 2001. A full debrief was held at MTS on 15th February 2001 – the questionnaire had worked well during the pilot stage and consequently only minor amendments were required.

Analysis

The data has been weighted by age and gender for redeemer and non-redeemers (within country) in line with the information held on Capita's database. **Table B** provides a breakdown of the weighted and unweighted number of interviews amongst redeemers.

| Table B: Weighted and unweighted number of redeemer interviews | | | |
|---|-------------------|-----------------|----|
| | England | | |
| | Unweighted | Weighted | |
| Total | 1,021 | n | % |
| Gender: | | | |
| Male | 412 | 416 | 41 |
| Female | 609 | 605 | 59 |
| Age: | | | |
| < 30 yrs | 232 | 244 | 24 |
| 31-40 | 323 | 312 | 31 |
| 41-50 | 247 | 239 | 23 |
| 51+ | 219 | 226 | 22 |

Interpretation of Data

It should be noted that a sample, and not the entire population, of Individual Learning Account applicants has been interviewed. This means that all the results are subject to sampling tolerances and that not all differences are statistically significant.

Where percentages do not add up to 100%, this may be due to computer rounding, the exclusion of "don't know" categories, or multiple responses.

Providers of courses supported by Individual Learning Accounts

Survey design

York Consulting Ltd conducted 33 interviews with providers of courses eligible for Individual Learning Account support in England Wales between 26th February and 4th May 2001.

Opt-out

Prior to the main fieldwork, a personalised letter was sent to all those included in the sample giving them the opportunity to opt out of the survey by contacting York Consulting Ltd. A copy of this letter is provided at **Appendix D**.

Sample design

The survey of learning providers was intended to provide qualitative data as the sample size was too small to provide statistically robust feedback.

The sample was provided by Capita.

Questionnaire design

The questionnaire for Individual Learning Account providers was designed by York Consulting Ltd in consultation with DfES and was piloted with three providers on 2nd March 2001. The questionnaire worked well and only minor amendments were required. The questionnaire is shown at **Appendix B**.

Interpretation of Data

It should be noted that a sample, and not the entire population, of Individual Learning Account providers has been interviewed. This means that all the results are subject to sampling tolerances and that not all differences are statistically significant.